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City of
HAMILTON

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GOVERNMENT DOCUMENTS

FINANCIAL REPORT

1996





City of
HAMILTON

FINANCIAL REPORT

December 31, 1996



The Corporation of the City of Hamilton

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The Corporation of the City of Hamilton

SIX-YEAR FINANCIAL REVIEW

(all dollar amounts are in thousands
of dollars, except per capita figures)

	1996	1995	1994
1. POPULATION at the end of the year	319,281	318,038	316,105
2. AREA in acres at the end of the year	38,073	38,073	38,073
3. EMPLOYEES – continuous full time	2,106	2,110	2,104
– part time	1,540	1,302	1,353
4. NUMBER OF HOUSEHOLDS	135,142	134,713	134,141
5. ASSESSMENT			
Taxable assessment upon which the year's rates of taxation were raised			
Residential and farm	\$603,862	\$601,996	\$600,446
Commercial and industrial	279,585	278,134	278,819
Business	123,426	123,973	124,594
	<u>\$1,006,873</u>	<u>\$1,004,103</u>	<u>\$1,003,859</u>
Per capita	3,153	3,158	3,176
Commercial and industrial, and business as a percentage of taxable assessment	40.0%	40.1%	40.2%
Provincial equalization factor	5.38	5.38	5.38
6. RATES OF TAXATION			
Residential and farm mill rate			
for general municipal purposes	105.1413	105.1413	104.2203
for region or county purposes	111.3252	110.1432	106.9719
for school board purposes	203.6592	197.4266	190.1978
	<u>420.1257</u>	<u>412.7111</u>	<u>401.3900</u>
Commercial and industrial mill rate			
for general municipal purposes	123.6957	123.6957	122.6121
for region or county purposes	130.9709	129.5803	125.8493
for school board purposes	239.5991	232.2666	223.7621
	<u>494.2657</u>	<u>485.5426</u>	<u>472.2235</u>
7. REVENUE — general municipal purposes			
Taxation	\$116,540	\$116,764	\$115,680
Payments in lieu of taxes	7,402	7,832	7,359
Ontario grants	10,465	12,958	13,863
Other grants	1,082	1,090	760
Fees and service charges	30,856	29,629	30,344
Other	17,542	18,534	19,307
	<u>\$183,887</u>	<u>\$186,807</u>	<u>\$187,313</u>
8. TAX ARREARS – per capita	\$173	\$195	\$198
– percentage of current levy	11.9%	13.6%	14.1%
9. EXPENDITURE – general municipal	\$184,182	\$186,954	\$187,328
10. TRANSFERS TO THE REGION	\$131,532	\$130,051	\$126,529
11. TRANSFERS TO THE SCHOOL BOARDS	\$228,344	\$221,495	\$213,540
12. NET LONG-TERM LIABILITIES			
General municipal activities	\$64,669	\$52,905	\$62,987
– per capita	\$203	\$166	\$199
– percentage of taxable assessment	6.4%	5.3%	6.3%
Municipal enterprises	\$4,583	\$5,272	\$5,948
13. CHARGES FOR NET LONG-TERM LIABILITIES			
General municipal activities	\$13,435	\$15,059	\$15,206
– per capita	\$42	\$47	\$48
– as a mill rate	13.30	14.99	15.14
14. CAPITAL FINANCING during the year			
Contributions from own funds	\$12,449	\$10,267	\$6,261
Long-term liabilities incurred	19,793	9	12,296
Ontario grants	2,057	10,502	3,562
Other	2,563	2,610	511
	<u>\$36,862</u>	<u>\$23,388</u>	<u>\$22,630</u>
15. CAPITAL EXPENDITURE during the year	\$26,578	\$37,475	\$23,904
16. ACCUMULATED NET REVENUE	\$877	\$1,172	\$1,319
17. RESERVES AND RESERVE FUNDS	\$106,902	\$102,483	\$93,299

The Corporation of the City of Hamilton

SIX-YEAR FINANCIAL REVIEW

(all dollar amounts are in thousands
of dollars, except per capita figures)

	1993	1992	1991
1. POPULATION at the end of the year	320,120	313,918	313,918
2. AREA in acres at the end of the year	38,073	38,073	38,073
3. EMPLOYEES – continuous full time	2,176	2,318	2,342
– part time	1,511	1,553	1,536
4. NUMBER OF HOUSEHOLDS	133,293	132,530	131,620
5. ASSESSMENT			
Taxable assessment upon which the year's rates of taxation were raised			
Residential and farm	\$593,264	\$587,395	\$573,281
Commercial and industrial	283,836	286,680	292,745
Business	127,540	129,306	133,511
	<u>\$1,004,640</u>	<u>\$1,003,381</u>	<u>\$999,537</u>
Per capita	3,139	3,196	3,184
Commercial and industrial, and business as a percentage of taxable assessment	40.9%	41.5%	42.6%
Provincial equalization factor	5.38	4.91	4.91
6. RATES OF TAXATION			
Residential and farm mill rate			
for general municipal purposes	104.2203	102.5572	98.6655
for region or county purposes	107.0004	103.5133	99.6322
for school board purposes	190.1989	186.1175	177.7870
	<u>401.4196</u>	<u>392.1880</u>	<u>376.0847</u>
Commercial and industrial mill rate			
for general municipal purposes	122.6121	120.6555	116.0771
for region or county purposes	125.8828	121.7803	117.2144
for school board purposes	223.7634	218.9618	209.1611
	<u>472.2583</u>	<u>461.3976</u>	<u>442.4526</u>
7. REVENUE – general municipal purposes			
Taxation	\$116,107	\$114,427	\$110,340
Payments in lieu of taxes	7,445	7,328	7,063
Ontario grants	14,904	18,999	17,777
Other grants	767	206	140
Fees and service charges	31,690	27,098	24,606
Other	20,434	17,370	19,820
	<u>\$191,347</u>	<u>\$185,428</u>	<u>\$179,746</u>
8. TAX ARREARS – per capita	\$200	\$175	\$141
– percentage of current levy	14.3%	12.6%	10.6%
9. EXPENDITURE – general municipal	\$191,232	\$185,828	\$181,069
10. TRANSFERS TO THE REGION	\$126,842	\$122,054	\$117,422
11. TRANSFERS TO THE SCHOOL BOARDS	\$213,964	\$209,927	\$200,525
12. NET LONG-TERM LIABILITIES			
General municipal activities	\$59,454	\$73,086	\$58,007
– per capita	\$185	\$233	\$185
– percentage of taxable assessment	5.9%	7.3%	5.8%
Municipal enterprises	\$6,534	\$6,981	\$7,650
13. CHARGES FOR NET LONG-TERM LIABILITIES			
General municipal activities	\$16,599	\$14,195	\$13,811
– per capita	\$52	\$45	\$44
– as a mill rate	16.51	14.15	13.82
14. CAPITAL FINANCING during the year			
Contributions from own funds	\$8,941	\$12,763	\$21,729
Long-term liabilities incurred	205	22,000	9,287
Ontario grants	3,694	13,354	2,477
Other	553	2,016	3,720
	<u>\$13,393</u>	<u>\$50,133</u>	<u>\$37,213</u>
15. CAPITAL EXPENDITURE during the year	\$40,699	\$37,111	\$32,337
16. ACCUMULATED NET REVENUE	\$1,334	\$1,027	\$748
17. RESERVES AND RESERVE FUNDS	\$100,299	\$95,299	\$90,991



THE CORPORATION OF THE
CITY OF HAMILTON

**FINANCIAL
STATEMENTS**

December 31, 1996

Mac Gillivray Partners
OWNERS ACCOUNTANTS



MacGillivray Partners

Chartered Accountants

Standard Life Centre, Suite 650
120 King Street West
Hamilton, Ontario L8P 4V2
Telephone: (905) 523-7732
Facsimile: (905) 572-9333

AUDITORS' REPORT

To Members of Council,
Inhabitants and Ratepayers of
The Corporation of the City
of Hamilton

We have audited the consolidated balance sheet of **The Corporation of the City of Hamilton** as at December 31, 1996 and the consolidated statement of operations for the year then ended. These financial statements are the responsibility of the Corporation's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with generally accepted auditing standards. Those standards require that we plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these consolidated financial statements present fairly, in all material respects, the financial position of the Corporation as at December 31, 1996 and the results of its operations for the year then ended in accordance with the accounting principles disclosed in note 1 to the financial statements.

Hamilton, Canada
April 25, 1997

MacGillivray Partners
CHARTERED ACCOUNTANTS

The Corporation of the City of Hamilton

CONSOLIDATED BALANCE SHEET

December 31, 1996

(in thousands of dollars)

	1996 \$	1995 \$
ASSETS		
Unrestricted		
Cash and term deposits	37,846	24,273
Other investments (note 4)	10,724	11,926
Taxes receivable	54,698	61,461
Accounts receivable	18,411	24,115
Other current assets	4,378	4,816
	<u>126,057</u>	<u>126,591</u>
Restricted		
Cash and term deposits	23,531	13,673
Long term receivables	1,713	1,689
	<u>25,244</u>	<u>15,362</u>
Capital outlay financed by long term liabilities and to be recovered in future years	<u>69,252</u>	<u>58,176</u>
	<u>220,553</u>	<u>200,129</u>
LIABILITIES		
Accounts payable and accrued liabilities	33,330	38,362
Other current liabilities	536	564
	<u>33,866</u>	<u>38,926</u>
Net long term liabilities (note 9(a))	<u>69,252</u>	<u>58,176</u>
	<u>103,118</u>	<u>97,102</u>
MUNICIPAL FUND BALANCES		
To be used to offset taxation or user charges (note 12(a))	877	1,172
(Unfinanced capital expenditure)/unexpended capital financing (note 12(a))	9,656	(628)
Reserves (note 13)	81,658	87,121
Reserve funds (note 13)	25,244	15,362
	<u>117,435</u>	<u>103,027</u>
	<u>220,553</u>	<u>200,129</u>

See accompanying notes to the financial statements

The Corporation of the City of Hamilton

CONSOLIDATED STATEMENT OF OPERATIONS for the year ended December 31, 1996 (in thousands of dollars)

	1996 \$	1995 \$
SOURCES OF FINANCING:		
Taxation and user charges		
Residential and farm taxation	66,100	66,102
Commercial, industrial and business taxation	57,842	58,493
User charges	34,703	32,928
	<u>158,645</u>	<u>157,523</u>
Grants		
Government of Canada	347	513
Province of Ontario	12,527	23,472
Other municipalities	843	886
	<u>13,717</u>	<u>24,871</u>
Other		
Contributions from developers	1,007	1,158
Investment income	6,401	8,444
Sale of land	1,291	985
Fines, penalties and interest on taxes	11,136	11,882
Other	11,605	5,827
	<u>31,440</u>	<u>28,296</u>
Proceeds from the issue of long term liabilities	19,793	9
MUNICIPAL FUND BALANCES at beginning of year	<u>103,027</u>	<u>108,837</u>
Total financing available during the year	<u>326,622</u>	<u>319,536</u>
APPLIED TO:		
General government	37,804	37,052
Protection to persons and property	39,776	40,908
Transportation services	39,102	40,098
Environmental services	5,842	6,447
Health services	2,678	2,856
Social and family services	2,161	2,073
Recreation and cultural services	72,546	77,275
Planning and development	9,278	9,800
	<u>209,187</u>	<u>216,509</u>
MUNICIPAL FUND BALANCES at end of year	<u>117,435</u>	<u>103,027</u>
Total applications during the year	<u>326,622</u>	<u>319,536</u>

See accompanying notes to the financial statements

The Corporation of the City of Hamilton

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

December 31, 1996

(all dollar amounts are in thousands of dollars)

1. SIGNIFICANT ACCOUNTING POLICIES

The consolidated financial statements of the Corporation are the representation of management prepared in accordance with accounting policies prescribed for Ontario municipalities by the Ministry of Municipal Affairs. On matters for which The Ministry of Municipal Affairs has not published a prescribed policy, the handbook of The Canadian Institute of Chartered Accountants has been followed. Since precise determination of many assets and liabilities is dependent upon future events, the preparation of periodic financial statements necessarily involves the use of estimates and approximations. These have been made using careful judgements.

(a) Basis of Consolidation

(i) Consolidated Entities

These consolidated financial statements reflect the assets, liabilities, sources of financing and expenditures of the revenue fund, capital fund, reserve funds and reserves and include the activities of all committees of Council and the following boards, and municipal enterprises which are under the control of Council:

The Hamilton Entertainment and Convention Facilities, Inc.
The Hamilton Public Library Board
The Parking Authority of the City of Hamilton
Barton General Business Improvement Area
Concession Street Business Improvement Area
Downtown Promenade Business Improvement Area
International Village Business Improvement Area
Main Street West Esplanade Business Improvement Area
Ottawa Street Business Improvement Area
Westdale Business Improvement Area

All interfund assets and liabilities and sources of financing and expenditures have been eliminated with the exception of loans or advances between reserve funds and any other fund of the Municipality and the resulting interest income and expenditures.

(ii) Non Consolidated Entities

The following local boards, municipal enterprises and utilities are not consolidated:

The Hamilton and Scourge Foundation, Inc.
Hamilton Housing Company Limited
The Hamilton Municipal Retirement Fund
The Hamilton Hydro Electric System
Municipal Non-Profit (Hamilton) Housing Corporation

(iii) Accounting for Region and School Board Transactions (net)

The taxation, other revenues, expenditures, assets and liabilities with respect to the operations of the school boards and the Regional Municipality of Hamilton-Wentworth are not reflected in the financial statements except to the extent that underlevies are reported on the Consolidated Balance Sheet as accounts receivable.

(iv) Trust Funds

Trust funds and their related operations administered by the Municipality are not consolidated but are reported separately on the Trust Funds Statement of Continuity and Balance Sheet.

The Corporation of the City of Hamilton

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

December 31, 1996

(all dollar amounts are in thousands of dollars)

1. ACCOUNTING POLICIES – (continued)

(b) Basis of Accounting

(i) Non Accrual

Sources of financing and expenditures are reported on the accrual basis of accounting with the exception of principal and interest charges on long term liabilities and certain employee related costs (note 1(b)(ii)) which are charged against operations in the periods in which they are paid.

(ii) Employee Related Costs

Employee related costs for vested sick leave benefits, Workers' Compensation obligations, and other retiree benefits are charged to operations in the periods in which they are paid. Consequently, these obligations and pension fund assets are not reflected on the Consolidated Balance Sheet.

(iii) Accrual

The accrual basis of accounting recognizes revenues as they become available and measurable; expenditures are recognized as they are incurred and measurable as a result of receipt of goods or services and the creation of a legal obligation to pay. Transactions and events are recognized in the period in which they occur regardless of whether there has been a receipt or payment of cash or its equivalent.

(iv) Capital Assets

The historical cost and accumulated amortization for capital assets are not recorded for municipal purposes. Capital assets are reported as an expenditure on the Consolidated Statement of Operations in the year of acquisition.

(v) Capital Outlay to be Recovered in Future Years

Capital outlay to be recovered in future years, which represents the outstanding principal portion of unmatured long term liabilities for municipal expenditures or capital funds transferred to other organizations, is reported on the Consolidated Balance Sheet.

2. OPERATION OF SCHOOL BOARDS AND THE REGIONAL MUNICIPALITY OF HAMILTON-WENTWORTH

Further to note 1 (a)(iii), the taxation, other revenues, expenditures and underlevies of the school boards and the Regional Municipality of Hamilton-Wentworth are comprised of the following:

	School Boards \$	Region \$
Taxation and user charges	228,300	131,509
Less: requisition	<u>228,345</u>	<u>131,532</u>
Underlevies for the year	(45)	(23)
Underlevies at beginning of year	<u>(132)</u>	<u>(74)</u>
Underlevies at end of year	<u>(177)</u>	<u>(97)</u>

The Corporation of the City of Hamilton

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

December 31, 1996

(all dollar amounts are in thousands of dollars)

3. TRUST FUNDS

Trust funds administered by the Municipality amounting to \$6,321 (1995-\$5,654) have not been included in the Consolidated Balance Sheet nor have these operations been included in the Consolidated Statement of Operations.

4. INVESTMENTS

The total investment of \$10,724 at cost (1995 - \$11,926) reported on the Consolidated Balance Sheet has a market value of \$ 11,615 (1995 - \$12,831) at the end of the year.

5. LIABILITY FOR VESTED SICK LEAVE BENEFITS

Effective January 1, 1982 the Income Protection Plan was adopted and all sick bank credits earned under the Sick Leave Benefit Plan were frozen. The exception to this is for employees of the Fire Department which continues to operate under the Sick Leave Benefit Plan.

Under the Sick Leave Benefit Plan, unused sick leave would accumulate and employees were entitled to cash payment upon termination of services after seven continuous years. Entitlement to cash payment continues to apply to those employees who earned credits under this plan. The liability for these accumulated days, to the extent that they have vested and could be taken in cash by an employee on terminating, amounted to \$9,826 (1995-\$10,071) at the end of the year. Cash payments made in lieu of sick leave are included in expenditures of the year in which services are terminated. An amount of \$502 (1995 - \$379) was paid to employees who left the Municipality's employment during the current year. A reserve has been established to provide for this past service liability and is reported on the Consolidated Balance Sheet. The balance of \$5,754 (1995 - \$5,168) is provided in the reserve. An amount of \$800 (1995 - \$800) has been provided for in the current year and is reported on the Consolidated Statement of Operations. Probable payments over the next five years to employees who reach their normal retirement age are:

1997	1998	1999	2000	2001
\$	\$	\$	\$	\$
114	205	134	312	339

6. PENSION AGREEMENTS

Ontario Municipal Employees Retirement System (OMERS)

The City of Hamilton makes contributions to the Ontario Municipal Employees Retirement Fund (OMERS) which is a multi-employer plan on behalf of 2,046 of its employees and elected officials. The plan is a defined benefit plan which specifies the amount of the retirement benefit to be received by the employees based on the length of service and rates of pay.

The amounts contributed to OMERS for current and past service are included in the Consolidated Statement of Operations and are reflected as follows:

	1996	1995
	\$	\$
Current service	5,386	5,405
Retirement compensation arrangement	6	7
	<u>5,392</u>	<u>5,412</u>

The Corporation of the City of Hamilton

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

December 31, 1996

(all dollar amounts are in thousands of dollars)

7. PROVISION FOR EMPLOYEE BENEFITS

The City is providing certain benefits to its employees through Administrative Service Only (A.S.O.) agreements with insurance companies which monitor and process claims for a fee. In order to provide for future self funding of these benefits, certain reserves have been accumulated to a total of \$6,185 as at December 31, 1996, and are included in the Employee Benefits – Self Insurance Reserve. This reserve includes the following:

(a) Long Term Disability Program – Pre-June 30, 1994

There were 27 claims outstanding December 31, 1996. However, no actuarial valuation of liabilities is available at this time. Therefore, no estimated amount can be provided. As at December 31, 1996 the amount on deposit at Metropolitan Life Co. to fully fund these claims was \$2,681. This item is reported on the Consolidated Balance Sheet under reserves, and appropriate funds are included as part of other investments.

(b) Health Benefits, Group Life Insurance and Long Term Disability – Post-July 1, 1995.

The amount in the reserve accumulated towards self funding these benefits as at December 31, 1996 is \$3,504.

8. VACATION ACCRUAL

The accrual of vacation pay pertaining to an employee's first year of employment has not previously been recorded as a liability. The City of Hamilton has recognized this liability in 1996. The impact is a reduction in the Working Fund Reserve of \$5,612.

9. NET LONG TERM LIABILITIES

	1996 \$	1995 \$
(a) The balance for net long term liabilities reported on the Consolidated Balance Sheet is comprised of the following:		
Total long term liabilities incurred by the Municipality including those incurred on behalf of school boards, other municipalities and municipal enterprises and outstanding at the end of the year amount to:	53	80
In addition, the Municipality has assumed responsibility for the payment of principal and interest charges on certain long term liabilities issued by the City and Regional Municipality of Hamilton-Wentworth. At the end of the year the outstanding principal amount of this liability is:	102,106	84,928
The total value of sinking funds which has been accumulated to the end of the year to retire the outstanding long term liabilities included above amount to:	(32,907)	(26,832)
	<u>69,252</u>	<u>58,176</u>

The Corporation of the City of Hamilton

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

December 31, 1996

(all dollar amounts are in thousands of dollars)

9. NET LONG TERM LIABILITIES – (continued)

- (b) Of the net long term liabilities reported in (a) of this note, principal payments of \$22,795 are payable from 1997 to 2001, \$7,508 from 2002 to 2006, and \$38,949 thereafter, summarized as follows:

	1997 to 2001 \$	2002 to 2006 \$	2007 and thereafter \$
From:			
General municipal revenues	18,766	7,027	38,875
Benefitting landowners	805	481	74
Consolidated municipal enterprises	<u>3,224</u>	<u>–</u>	<u>–</u>
	<u>22,795</u>	<u>7,508</u>	<u>38,949</u>

- (c) Some of the net long term liabilities reported in (a) of this note do not represent a burden on general municipal revenues, as they are to be recovered in future years from other sources:

	1996 \$	1995 \$
Special charges on benefitting landowners	1,360	1,551
Municipal enterprises	<u>3,224</u>	<u>3,721</u>
	<u>4,584</u>	<u>5,272</u>

- (d) The long term liabilities in (a) issued in the name of the Municipality have received approval of the Ontario Municipal Board for those approved on or before December 31, 1992. Those approved after January 1, 1993 have been approved by by-law. The annual principal and interest liabilities are within the annual debt repayment limit prescribed by the Ministry of Municipal Affairs.
- (e) The Municipality is contingently liable for the payment of principal and interest applicable to long term liabilities assumed by other municipalities, school boards, unconsolidated local boards, municipal enterprises and utilities. The total amount outstanding as at December 31, 1996 is nil (1995 – \$11,579) and is not recorded on the Consolidated Balance Sheet.

10. CHARGES FOR NET LONG TERM LIABILITIES

Total charges for the year for net long term liabilities, reported on the Consolidated Statement of Operations are as follows:

	1996 \$	1995 \$
Principal payment including contributions to the sinking fund	6,344	6,879
Interest	<u>8,492</u>	<u>9,636</u>
	<u>14,836</u>	<u>16,515</u>

The charges for long term liabilities assumed by the non-consolidated entities are not reflected in these statements.

The Corporation of the City of Hamilton

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

December 31, 1996

(all dollar amounts are in thousands of dollars)

11. NON-ACCRUAL OF INTEREST ON LONG TERM LIABILITIES

No provision has been made in these financial statements for the accrual of interest on the net long term liabilities. Had this provision been made, the municipal fund balance as at December 31, 1996 would have been decreased by \$3,500 (1995 - \$2,996).

12. MUNICIPAL FUND BALANCES AT THE END OF THE YEAR

- (a) The municipal equity amounts shown on the Consolidated Balance Sheet and the Consolidated Statement of Operations, namely \$877 and \$9,656 (1995 - \$1,172 and (\$628)) at the end of the year are comprised of the following:

	1996 \$	1995 \$
To be used to offset taxation or user charges:		
- for general reduction of taxation		310
- for benefitting landowners related to special charges and special areas	672	667
- business improvement areas	205	195
	<u>877</u>	<u>1,172</u>
Unexpended capital financing/(unfinanced capital outlay):		
- funds available for capital expenditures	19,942	20,932
- capital expenditures to be financed from the proceeds of long term liabilities	(10,172)	(21,221)
- capital expenditures to be recovered from reserves and reserve funds	(104)	(25)
- capital expenditures to be recovered from grants and accounts receivable	(10)	(314)
	<u>9,656</u>	<u>(628)</u>
	<u><u>10,533</u></u>	<u><u>544</u></u>

- (b) Approval of the Ontario Municipal Board has been obtained for those pending issues of long term liabilities and commitments to be financed by revenues beyond the term of council and approved on or before December 1, 1992. These amount to \$472. Those approved after January 1, 1993 have been approved through by-law. These amount to \$9,700. The principal and interest payments required to service these pending issues and commitments are within the debt repayment limit prescribed by the Ministry of Municipal Affairs.

- (c) The balance available for the general reduction of taxation for the fiscal year ending December 31, 1996 has been reduced by an amount of \$983 transferred to:

	\$
Reserve for hosting of special dignitaries	35
Reserve for tax stabilization	948
	<u><u>983</u></u>

The Corporation of the City of Hamilton

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

December 31, 1996

(all dollar amounts are in thousands of dollars)

13. CAPITAL RESERVES, WORKING FUND RESERVES AND RESERVE FUNDS

The capital reserve, working fund reserve and reserve fund balances of \$55,441 (1995 – \$51,118), \$26,217 (1995 – \$36,003) and \$25,244 (1995 – \$15,362) respectively are detailed as follows:

	1996 \$	1995 \$
CAPITAL RESERVES		
Acquisition of historic properties	151	144
Alpha enclaves	234	223
Capital projects – general	8,864	8,574
Debt charges	10,288	7,318
HECFI – capital	1,201	1,602
Major repairs to mobile equipment	1,007	3,818
Property purchases	5,408	4,960
Replacement of mobile equipment	21,548	17,679
Services for unsubdivided lands development	2,623	2,590
Working Funds – capital operations	4,117	4,210
	<u>55,441</u>	<u>51,118</u>
WORKING FUND RESERVES		
Acquisition of properties under the Planning Act	1,162	1,633
Cemetery building fund – niches	17	10
Contingency	1,447	1,766
Election	272	139
Employee benefits – stabilization	6,185	11,071
Hamilton Public Library	1,479	1,156
HECFI – current	263	250
Hosting conferences – municipal content	44	91
Hosting of special dignitaries	35	35
Housing	195	
Museums	56	21
Off-street parking	(1,914)	68
Residential – building permit revenue stabilization	586	210
Self insurance	2,742	2,380
Special events subsidy	1	3
Systems Improvements	54	267
Tax stabilization	5,212	5,050
Working funds – current operations	8,381	11,853
	<u>26,217</u>	<u>36,003</u>
Total Reserves	<u><u>81,658</u></u>	<u><u>87,121</u></u>

The Corporation of the City of Hamilton

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

December 31, 1996

(all dollar amounts are in thousands of dollars)

13. CAPITAL RESERVES, WORKING RESERVES AND RESERVE FUNDS – (continued)

	1996 \$	1995 \$
RESERVE FUNDS – Set aside for a specific purpose by Council, legislation, regulation or agreement		
Deferred Income Plan for City Council members	899	845
Development charges	5,190	4,932
Hamilton Commercial Facade Program	1,514	1,484
Hamilton Community Heritage Fund	872	822
Hamilton Rehabilitation Loan Program	803	798
Hamilton Scourge Foundation	17	16
Sick leave on resignation	5,754	5,168
Workers' Compensation	10,195	1,297
Total Reserve Funds	<u>25,244</u>	<u>15,362</u>
Total Reserves and Reserve Funds	<u>106,902</u>	<u>102,483</u>

14. BUDGET FIGURES

Budgets established for capital funds, reserves and reserve funds are based on a project oriented basis, the costs of which may be carried out over one or more years. As such, they are not directly comparable with current year actual amounts and budgets have therefore not been reflected on the Consolidated Statement of Operations.

15. SOCIAL CONTRACT

The sectoral agreement between the Provincial Government and the municipal sector under the Social Contract Act ended March 31, 1996. It covered the years 1993 to 1996 inclusive. Unconditional grants from the Province related to the Social Contract over this period, having a cumulative total of \$9,902, were reduced accordingly.

16. CONTRACTUAL OBLIGATIONS AND CONTINGENT LIABILITIES

(a) Contractual Obligations

The Municipality is a party to agreements and contracts involving significant future liabilities relative to capital projects in progress. Outstanding contractual obligations for capital works amounted to approximately \$3,544 (1995 – \$3,265). The financial statements reflect the costs incurred to date and the capital budget prepared for ten years in the future, updated annually, provided for the financing of these future obligations within the estimated financial resources of the Municipality.

(b) Lease Agreement

The Municipality has entered into various lease agreements for computer and related equipment. These agreements provide for termination on November 30, 1997 to coincide with the term of Council. The payments required under these agreements for the year 1996 are \$2,020.

The Corporation of the City of Hamilton

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

December 31, 1996

(all dollar amounts are in thousands of dollars)

16. CONTRACTUAL OBLIGATIONS AND CONTINGENT LIABILITIES – (continued)

(c) Public Liability Insurance

The Municipality is partially self-insured for public liability claims up to \$500 for any individual claim and \$500 for any number of claims arising out of a single occurrence. Outside coverage is in place for claims in excess of these limits.

The Municipality has made a provision for a reserve for uninsured losses which as at December 31, 1996 amounted to \$2,742 (1995 – \$2,380) and is reported on the Consolidated Balance Sheet under reserves.

Claims settled during the year amounting to \$469 (1995 – \$253) have been provided for from the reserve and are, accordingly, reported as an expenditure on the Consolidated Statement of Operations.

There are a number of claims unsettled as at December 31, 1996, the potential liability of which is not currently determinable.

(d) Workers' Compensation

The City of Hamilton is a Schedule 2 employer under the Workers' Compensation Act. As a Schedule 2 employer, the City assumes the liability for any award made under the Act. In 1996 the current budget provision was \$1,500 and for 1997 the current budget provision will be increased to \$1,800.

An actuarial valuation was performed in 1995 based on 1993 results and determined a liability of \$21,600 for present and future awards. In 1996 City Council approved a multi-year plan to fund this liability. The balance in the fund at December 31, 1996 was \$10,195 (1995 – \$1,297).

17. PUBLIC SECTOR SALARY DISCLOSURE ACT, 1996 (in dollars)

The Public Sector Salary Disclosure Act passed on January 29, 1996 requires the disclosure of the names, positions, salaries and taxable benefits of employees paid \$100,000 or more a year and the inclusion of such information on the annual financial statement for the year effective with the 1995 year.

		Salary Paid \$	Taxable Benefits \$
J. G. Hindson	Director of Information Systems	112,301	747
D. Lobo	Commissioner of Public Works and Traffic Services	116,588	691
P. C. Noé Johnson	City Solicitor	112,301	2,053
J. G. Pavelka	Chief Administrative Officer	117,585	5,381
A. C. Ross	Treasurer	109,084	1,466

The salary amount is calculated in compliance with the Public Sector Salary Disclosure Act and may include payments of a non-recurring nature.

The Corporation of the City of Hamilton

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

December 31, 1996

(all dollar amounts are in thousands of dollars)

18. COMPARATIVE FIGURES

- (a) Certain comparative figures for 1995 have been reclassified to agree with the financial statement presentation adopted for 1996.
- (b) The comparative figures for 1995 have been restated to reflect the vacation pay accrual (see note 8) and the recording as a reserve of an amount previously included in Trust Funds. The adjustment to reserves and reserve funds is as follows:

	\$
Reserves and Reserve Funds – as previously reported	107,335
Accrual of vacation pay	(5,612)
Transfer of Trust Fund	<u>760</u>
Reserves and Reserve Funds – as restated	<u><u>102,483</u></u>



THE CORPORATION OF THE
CITY OF HAMILTON

TRUST FUNDS

**FINANCIAL
STATEMENTS**

December 31, 1996

Hamilton, Ontario
April 25, 1997

W. L. Murray
Counsellor



MacGillivray Partners

Chartered Accountants

Standard Life Centre, Suite 650
120 King Street West
Hamilton, Ontario L8P 4V2
Telephone: (905) 523-7732
Facsimile: (905) 572-9333

AUDITORS' REPORT

To the Members of Council,
Inhabitants and Ratepayers
of The Corporation of the
City of Hamilton

We have audited the balance sheet of the trust funds of **The Corporation of the City of Hamilton** as at December 31, 1996 and the statement of continuity of trust funds for the year then ended. These financial statements are the responsibility of the Corporation's management. Our responsibility is to express an opinion on these financial statements based on our audit.

Except as explained in the following paragraph, we conducted our audit in accordance with generally accepted auditing standards. Those standards require that we plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In common with many not-for-profit organizations, the trust funds derive revenue from donations, the completeness of which is not susceptible to satisfactory audit verification. Accordingly, our verification of these revenues was limited to the amounts recorded in the records of the trust funds and we were not able to determine whether any adjustments might be necessary to donation revenue included in other revenue, trust fund balances and assets.

In our opinion, except for the effect of adjustments, if any, which we might have determined to be necessary had we been able to satisfy ourselves concerning the completeness of donation revenue referred to in the preceding paragraph, these financial statements present fairly, in all material respects, the financial position of the trust funds of the Corporation as at December 31, 1996 and the continuity of trust funds for the year then ended in accordance with generally accepted accounting principles.

Hamilton, Canada
April 25, 1997

MacGillivray Partners
CHARTERED ACCOUNTANTS

The Corporation of the City of Hamilton

TRUST FUNDS

BALANCE SHEET December 31, 1996 (in thousands of dollars)

	1996 \$	1995 \$
ASSETS		
Cash	137	271
Accounts receivable	—	75
Investments (note 2)	5,850	5,146
Loans — Ontario Home Renewal Program	90	119
Due from City of Hamilton	244	43
	<u>6,321</u>	<u>5,654</u>
LIABILITIES		
Deposits	49	—
FUND BALANCES	<u>6,272</u>	<u>5,654</u>
	<u>6,321</u>	<u>5,654</u>

STATEMENT OF CONTINUITY for the year ended December 31, 1996 (in thousands of dollars)

	1996 \$	1995 \$
REVENUES		
Cemetery lots and interments	336	333
Interest earned	549	512
Other revenue	382	83
Transfer from reserve and other funds	—	45
	<u>1,267</u>	<u>973</u>
EXPENDITURES		
Other	78	4,800
Transfer to reserve and other funds	571	469
	<u>649</u>	<u>5,269</u>
EXCESS OF REVENUES (EXPENDITURES)	618	(4,296)
FUND BALANCES — Beginning of year	5,654	9,950
FUND BALANCES — End of year	<u>6,272</u>	<u>5,654</u>

See accompanying notes to the financial statements

The Corporation of the City of Hamilton

TRUST FUNDS

NOTES TO THE FINANCIAL STATEMENTS

December 31, 1996

(all dollar amounts are in thousands of dollars)

1. SIGNIFICANT ACCOUNTING POLICIES

(a) Basis of Consolidation

These statements reflect the revenues, expenditures, assets and liabilities of the following trust funds:

- F. Walden Dundurn Castle
- Balfour Estate Chedoke
- Hamilton Cemetery Care and Maintenance
- Care and Maintenance Monuments and Markers
- Hamilton Cemetery Pre-Need Assurance
- Ontario Home Renewal Program
- M. Walden Thompson Bequest
- Central Library - Special Gift Fund
- Library - Capital Endowment
- Library - Ketha McLaren Memorial
- Library - F. Walden Bequest
- Library - Centennial Buy-A-Book Campaign

(b) Basis of Accounting

Receipts and expenditures on the Statement of Continuity are reported on the accrual basis of accounting, with the exception of donations which are recorded as received.

Revenues on cemetery lots are recognized upon transfer of title of the deed.

2. INVESTMENTS

The total investments recorded in the Balance Sheet are \$ 5,850 (1995- \$5,146). These investments have a market value of \$ 6,087 (1995 - \$5,482) at the end of the year.

3. ELECTION SURPLUS FUNDING

The election surplus funding in the amount of \$4 has been set up in Trust under Section 151 (1) of the Municipal Elections Act. Under Sections 151 (1), (2), (3) and (4) the funds are to be released, with accrued interest, to the candidate in the next regular election or by-election once the candidate has become registered for the election.

4. COMPARATIVE FIGURES

Fund balances as at December 31, 1995 and 1994 have been reduced by \$760 and \$691 respectively to reflect a transfer of trust funds to the City of Hamilton.



THE HAMILTON ENTERTAINMENT AND CONVENTION FACILITIES INC.

FINANCIAL STATEMENTS

December 31, 1996

MacGillivray Partners

Chartered Accountants

Standard Life Centre, Suite 650
120 King Street West
Hamilton, Ontario L8P 4V2
Telephone: (905) 523-7732
Facsimile: (905) 572-9333

AUDITORS' REPORT

To the Board Members of
**The Hamilton Entertainment and
Convention Facilities Inc.,**
Members of Council, Inhabitants
and Ratepayers of The Corporation
of the City of Hamilton

We have audited the balance sheet of **The Hamilton Entertainment and Convention Facilities Inc.** as at December 31, 1996 and the statement of revenue and expense for the year then ended. These financial statements are the responsibility of the Corporation's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with generally accepted auditing standards. Those standards require that we plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these financial statements present fairly, in all material respects, the financial position of the Corporation as at December 31, 1996 and the results of its operations for the year then ended in accordance with the accounting principles disclosed in Note 1 to the financial statements.

*Hamilton, Canada
February 28, 1997*

Mac Gillivray Partners
CHARTERED ACCOUNTANTS

THE HAMILTON ENTERTAINMENT AND CONVENTION FACILITIES INC.

BALANCE SHEET

DECEMBER 31, 1996

ASSETS

Current

	1996	1995
Cash	\$ 646,608	\$ 539,584
Accounts receivable	488,540	780,722
Note receivable	-	66,778
Inventories (note 3)	53,702	46,373
Prepaid expenses	88,781	100,222
Deferred charges on future shows	81,403	32,843
Due from City of Hamilton	328,231	-
	<u>\$ 1,687,265</u>	<u>\$ 1,566,522</u>

LIABILITIES

Current

Accounts payable and accruals	\$ 650,410	\$ 449,049
Advance ticket sales	766,373	528,182
Deposits on future rentals	128,511	135,314
Deferred revenue on display advertising	39,627	15,608
Unredeemed gift certificates	81,685	81,835
Advance from a related corporation (note 4)	20,659	21,120
Due to City of Hamilton	-	335,414
	<u>\$ 1,687,265</u>	<u>\$ 1,566,522</u>

See accompanying Notes to the Financial Statements

THE HAMILTON ENTERTAINMENT AND CONVENTION FACILITIES INC.

STATEMENT OF REVENUE AND EXPENSE

FOR THE YEAR ENDED DECEMBER 31, 1996

	1996	1995
REVENUE		
Rentals, licence fees and show revenue	\$ 1,617,690	\$ 2,348,299
Food, beverage and concessions	2,155,179	2,126,392
Recoveries	2,344,323	2,029,902
Box office	377,264	363,907
Other	<u>342,083</u>	<u>322,091</u>
	<u>6,836,539</u>	<u>7,190,591</u>
EXPENSE		
Events delivery	2,837,616	2,727,443
Food and beverage	1,870,546	1,933,134
Building operations	1,362,065	1,568,089
Marketing and promotion	1,289,717	1,284,042
Administration	1,466,197	1,454,956
Box office	<u>363,463</u>	<u>348,274</u>
	<u>9,189,604</u>	<u>9,315,938</u>
EXCESS OF EXPENSE OVER REVENUE BEFORE CONTRIBUTION FROM THE CITY OF HAMILTON	<u>2,353,065</u>	<u>2,125,347</u>
CONTRIBUTION FROM THE CITY OF HAMILTON	<u>2,385,370</u>	<u>2,426,150</u>
EXCESS OF REVENUE OVER EXPENSE FOR THE YEAR (note 6)	<u>\$ 32,305</u>	<u>\$ 300,803</u>

See accompanying Notes to the Financial Statements

THE HAMILTON ENTERTAINMENT AND CONVENTION FACILITIES INC.

NOTES TO THE FINANCIAL STATEMENTS

DECEMBER 31, 1996

1. SIGNIFICANT ACCOUNTING POLICIES

The Corporation follows accounting principles appropriate for a municipal organization. The more significant of these accounting policies are summarized below.

(a) Rentals, Licence Fees and Show Revenue

Rentals, licence fees and show revenue comprise minimum rental and licence fees, negotiated percentages of box office receipts and profit or loss when the Corporation acts as a promoter or co-promoter on shows.

Revenue excludes the capital improvement ticket surcharge.

(b) Inventories

Inventories are valued at the lower of cost, measured on a first-in, first-out basis, and replacement value.

(c) Capital Assets and Amortization

The land, buildings and original equipment of The Hamilton Entertainment and Convention Facilities Inc. are owned by The Corporation of the City of Hamilton (City of Hamilton). Purchases of equipment and furnishings are charged either directly to operations in the year in which the expenses occur, or to a capital projects reserve fund established for the purchase of capital assets and maintained by the City of Hamilton on behalf of The Hamilton Entertainment and Convention Facilities Inc.

(d) Reserves

Payments relating to the functional purpose of reserves are charged directly to the reserves.

The accompanying financial statements do not include the activities of The Hamilton Performing Arts Foundation Inc., a related corporation.

2. OPERATIONS

The Hamilton Entertainment and Convention Facilities Inc. was incorporated without share capital under the laws of Ontario by the City of Hamilton to maintain and operate, in the public interest, the following facilities:

Copps Coliseum (*a trade centre and arena*)
Hamilton Convention Centre
Hamilton Place (*a theatre-auditorium*)

THE HAMILTON ENTERTAINMENT AND CONVENTION FACILITIES INC.

NOTES TO THE FINANCIAL STATEMENTS

DECEMBER 31, 1996

3. INVENTORIES

Inventories consist of liquor, beer, wine, food, and soft drinks.

4. ADVANCE FROM A RELATED CORPORATION

In 1991 The Hamilton Performing Arts Foundation Inc. advanced \$ 21,700 to the Corporation which in turn invested the funds with the City of Hamilton. All interest earned on these funds has been reinvested with the City of Hamilton and will be paid to The Hamilton Performing Arts Foundation Inc. The continuity of this account is summarized as:

	1996	1995
Balance - Beginning of year	\$ 21,120	\$ 20,676
Interest earned during the year	1,039	1,444
Funds repaid during year	<u>(1,500)</u>	<u>(1,000)</u>
Balance - End of year	<u>\$ 20,659</u>	<u>\$ 21,120</u>

5. PENSION AGREEMENTS

The Corporation makes contributions to the Ontario Municipal Employees Retirement Fund (OMERS), which is a multi-employer plan, on behalf of some members of its staff. The plan is a defined benefit plan which specifies the amount of the retirement benefit to be received by the employees based on the length of service and rates of pay.

The amount contributed to OMERS for 1996 was \$ 173,000 (1995 - \$ 176,000) for current service and is included as an expense on the Statement of Revenue and Expense.

In addition, certain other employees of the Corporation are entitled to payments to a registered savings plan which is administered through their union. The Corporation contributed \$ 36,000 to this plan in 1996 (1995 - \$ 32,000).

6. TRANSFER TO THE CITY OF HAMILTON

At the end of the year the excess of revenue over expense for the year was transferred to the City of Hamilton and allocated as follows:

	1996	1995
Allocated to The Hamilton Entertainment and Convention Facilities Inc. Fund for Capital Projects	\$ 32,305	\$ 184,865
Allocated to The Hamilton Entertainment and Convention Facilities Inc. Reserve for Budget Stabilization	<u>-</u>	<u>115,938</u>
	<u>\$ 32,305</u>	<u>\$ 300,803</u>

THE HAMILTON ENTERTAINMENT AND CONVENTION FACILITIES INC.

NOTES TO THE FINANCIAL STATEMENTS

DECEMBER 31, 1996

7. OTHER RESERVE FUNDS

The following reserve funds have been set aside by City Council on behalf of The Hamilton Entertainment and Convention Facilities Inc.

(a) Fund for Capital Projects

This reserve fund and the interest earned thereon is used primarily to finance major building repairs/improvements, purchase of equipment or replacement thereof. The reserve fund is financed from allocations of the excess of revenue over expenses (note 6) as well as from a patron surcharge levied by the Corporation on ticket admissions to Hamilton Place and Copps Coliseum. The continuity of this fund is summarized as follows:

	1996	1995
Balance - Beginning of year	\$ 1,601,839	\$ 1,498,520
Funds transferred to finance capital projects approved in the current year's capital budget		
Hamilton Convention Centre	(120,000)	(465,000)
Hamilton Place	(130,000)	(160,000)
Copps Coliseum	(460,000)	(10,000)
	(710,000)	(635,000)
Receipts from patron surcharges during year		
Hamilton Place	57,858	90,959
Copps Coliseum	78,111	50,477
	135,969	141,436
Interest earned during year	102,668	148,558
Surplus transferred from The Hamilton and Convention Facilities Inc.	32,305	184,865
Return of unused funds from previously approved capital projects	37,965	260,122
Receipts from sale of surplus equipment	-	3,338
	172,938	596,883
Balance - End of year	\$ 1,200,746	\$ 1,601,839

THE HAMILTON ENTERTAINMENT AND CONVENTION FACILITIES INC.

NOTES TO THE FINANCIAL STATEMENTS

DECEMBER 31, 1996

7. OTHER RESERVE FUNDS (continued)

(b) Special Events Subsidy Fund

This reserve and interest earned thereon is used primarily to attract events to the facilities operated by The Hamilton Entertainment and Convention Facilities Inc. The continuity of this fund is summarized as:

	1996	1995
Balance - Beginning of year	\$ 2,726	\$ 2,274
Contribution from the City of Hamilton	100,000	100,000
Interest earned during the year	1,628	2,193
Payments made in the year for events subsidies	<u>(104,026)</u>	<u>(101,741)</u>
Balance - End of year	<u>\$ 328</u>	<u>\$ 2,726</u>

(c) Budget Stabilization

This reserve and the interest earned thereon is used primarily to fund the Corporation's over-expended municipal contribution, if any, in future years. A contribution of \$ nil in 1996 (\$ 115,938 in 1995) was made to this reserve from The Hamilton Entertainment and Convention Facilities Inc.'s excess of revenue over expense for the years in question. The continuity of this fund is summarized as:

	1996	1995
Balance - Beginning of year	\$ 250,000	\$ 125,000
Portion of excess of revenue over expense transferred	-	115,938
Interest earned during the year	<u>12,640</u>	<u>9,062</u>
Balance - End of Year	<u>\$ 262,640</u>	<u>\$ 250,000</u>

8. OTHER FINANCIAL INFORMATION

At December 31, 1996, the City of Hamilton has outstanding long-term debt of \$ 1,847,000 (1995 - \$ 3,170,000) which was incurred to acquire the buildings and original equipment of The Hamilton Entertainment and Convention Facilities Inc. The City of Hamilton's future payments on this debt are summarized as follows:

	Principal	Interest	Sinking Fund Deposits	Total
1997	\$ -	\$ 185,000	\$ 81,000	\$ 266,000
1998	<u>1,847,000</u>	<u>92,000</u>	<u>(1,766,000)</u>	<u>173,000</u>
	<u>\$ 1,847,000</u>	<u>\$ 277,000</u>	<u>\$ (1,685,000)</u>	<u>\$ 439,000</u>

THE HAMILTON ENTERTAINMENT AND CONVENTION FACILITIES INC.

NOTES TO THE FINANCIAL STATEMENTS

DECEMBER 31, 1996

8. OTHER FINANCIAL INFORMATION (continued)

During 1996 the City of Hamilton incurred \$ 359,000 (1995 - \$ 1,555,000) in interest expense relating to the debt.

In addition, the City of Hamilton incurred estimated utility charges and related overhead expenses of \$ 1,591,000 (1995 - \$ 1,523,000) for the operations of The Hamilton Entertainment and Convention Facilities Inc.

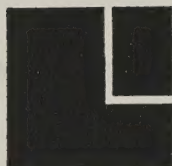
The City of Hamilton has provided \$ 9,000 (1995 - \$ 105,000) for legal claims relating to the facilities managed by the Corporation, settled during the year or outstanding at year end. These claims will be financed by the City of Hamilton's Reserve for Uninsured Losses.

9. LIABILITY FOR VESTED SICK LEAVE BENEFITS

Effective May 1, 1982 the predecessor corporations to The Hamilton Entertainment and Convention Facilities Inc. adopted an Income Protection Plan and sick leave credits earned under the previous Sick Leave Benefit Plan were frozen. Under the Sick Leave Benefit Plan unused sick leave could accumulate and employees were entitled to cash payment upon termination of services after ten continuous years of employment. Entitlement to cash payment continues to apply to those employees who earned credits under this plan. The liability for these accumulated days, to the extent that they have vested and could be taken in cash by an employee on termination, amounted to \$ 59,000 at December 31, 1996 (1995 - \$ 59,000). Cash payments made by the City of Hamilton in lieu of sick leave are included in the expenses of the year in which services are terminated and no provision was made by the City in the year when the liability was incurred. The current year's expense of \$ 1,000 (1995 - \$ nil) for sick leave liability was paid directly by the City of Hamilton and is not reflected in these financial statements.

10. COMPARATIVE FIGURES

Certain reclassifications of 1995 comparative figures have been made to conform to the financial statement presentation adopted in 1996.



THE HAMILTON PUBLIC LIBRARY BOARD

To the Chairman and Board Members
of The Hamilton Public Library Board
Members of Council, Members
and Employees of The Corporation of
The City of Hamilton

We have audited the financial statements of The Hamilton Public Library Board as at December 31, 1996 and the changes of reserves and equity during the year and certify that these statements, in our opinion, are true and correct. These financial statements are the responsibility of the Library's management. Our responsibility is to express an opinion on these financial statements based on our audit.

Our audit was conducted in the manner we believe to be appropriate and we have obtained sufficient evidence to support our opinion. We have also reviewed the internal controls and procedures of the Library's management and have found them to be satisfactory.

FINANCIAL STATEMENTS

December 31, 1996

In carrying out our audit, we have followed the standards of the Chartered Accountants of Ontario, which require us to obtain evidence to support our opinion. We have also reviewed the internal controls and procedures of the Library's management and have found them to be satisfactory.

In our opinion, except for the effect of the matters noted below, which are described in the notes to the financial statements, the financial statements of the Library as at December 31, 1996 and the changes of reserves and equity during the year are true and correct. These financial statements are the responsibility of the Library's management. Our responsibility is to express an opinion on these financial statements based on our audit.

MacGillivray Partners

Chartered Accountants

Standard Life Centre, Suite 650
120 King Street West
Hamilton, Ontario L8P 4V2
Telephone: (905) 523-7732
Facsimile: (905) 572-9333

AUDITORS' REPORT

To the Chairman and Board Members
of The Hamilton Public Library Board,
Members of Council, Inhabitants
and Ratepayers of The Corporation of
the City of Hamilton

We have audited the balance sheet of **The Hamilton Public Library Board** as at December 31, 1996 and the statement of revenue and expenditure and the reserves and reserve funds and trust funds statements of continuity for the year then ended. These financial statements are the responsibility of the Library's management. Our responsibility is to express an opinion on these financial statements based on our audit.

Except as explained in the following paragraph, we conducted our audit in accordance with generally accepted auditing standards. Those standards require that we plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In common with many not-for-profit organizations, the reserves and reserve funds and trust funds of the Library derive revenue from donations and other revenue, the completeness of which is not susceptible to satisfactory audit verification. Accordingly, our verification of these revenues was limited to the amounts recorded in the records of the Library and we were not able to determine whether any adjustments might be necessary to donations and other revenue, reserves and reserve funds, trust fund balances and assets.

In our opinion, except for the effect of adjustments, if any, which we might have determined to be necessary had we been able to satisfy ourselves concerning the completeness of the donations and other revenue referred to in the preceding paragraph, these financial statements present fairly, in all material respects, the financial position of the Library as at December 31, 1996 and the results of its operations for the year then ended in accordance with the accounting principles disclosed in note 1 to the financial statements.

Hamilton, Canada
April 7, 1997

MacGillivray Partners

CHARTERED ACCOUNTANTS

The Hamilton Public Library Board

BALANCE SHEET
as at December 31, 1996
(in thousands of dollars)

	1996 \$	1995 \$
ASSETS		
Unrestricted	5	4
Cash	27	35
Accounts receivable	2,287	1,415
Due from City of Hamilton	222	309
Prepaid expenses	2,541	1,763
	451	426
Capital outlay to be recovered	2,992	2,189
 Restricted – Trust Funds	 3	 1
Cash	202	189
Term deposits	619	573
Deposits with the Hamilton Foundation	543	115
Due from revenue fund	46	75
Accrued interest receivable	1,413	953
	4,405	3,142
 LIABILITIES, RESERVES AND FUND BALANCES		
Accounts payable and accrued liabilities	469	383
Deferred revenue	50	100
Due to trust funds	543	115
	1,062	598
 Capital lease obligation (note 3 (c))	451	426
 Reserves and reserve funds (note 8)	1,479	1,165
 Trust Funds – fund balance (note 9)	1,413	953
	4,405	3,142

The Hamilton Public Library Board

STATEMENT OF REVENUE AND EXPENDITURE for the year ended December 31, 1996 (in thousands of dollars)

	1996 \$	1995 \$
REVENUE		
Municipal contribution	14,607	14,876
Province of Ontario grant	778	1,065
Grant revenue	438	390
Other – rentals, sales and recoveries	437	490
	<u>16,260</u>	<u>16,821</u>
EXPENDITURE		
Central Library administration and technical services (schedule)	9,850	10,395
Transfers to Capital – City of Hamilton	11	–
Library Branches		
Barton	278	276
Kenilworth	404	375
Locke	169	147
Concession	331	321
Westdale	375	308
Sherwood	1,043	978
Red Hill	576	554
Terryberry	1,087	1,056
Picton	223	210
Children's librarian service	233	211
	<u>4,719</u>	<u>4,436</u>
Total operating expenditure	14,580	14,831
Transfers to own reserves	1,680	1,784
	<u>16,260</u>	<u>16,615</u>
EXCESS OF REVENUE OVER EXPENDITURE	–	206
Transfer to City of Hamilton reserve fund (note 2)	–	206
EXCESS OF REVENUE OVER EXPENDITURE	<u>–</u>	<u>–</u>

The Hamilton Public Library Board

NOTES TO THE FINANCIAL STATEMENTS

December 31, 1996

(All dollar amounts are in thousands of dollars)

1. SIGNIFICANT ACCOUNTING POLICIES

(a) Basis of Accounting

Revenues and expenditures are reported on the accrual basis of accounting which recognizes revenues as they become available and measurable; expenditures are recognized as they are incurred and measurable as a result of a receipt of goods or services and the creation of a legal obligation to pay.

(b) Capital Assets

The historical cost and accumulated amortization for capital assets are not recorded. Purchases of capital assets are charged either directly to operations in the year in which the expenditures occur, or to a reserve established for the purchase of capital assets.

(c) Capital Outlay to be Recovered

Capital outlay to be recovered represents the principal portion of unmatured long term liabilities incurred to finance capital expenditures.

2. CITY OF HAMILTON – RESERVE FUND

At the discretion of Council, the City of Hamilton has set aside the following reserve fund for the Hamilton Public Library. This fund is included in the City's Consolidated Balance Sheet.

	Capital Projects	
	1996	1995
	\$	\$
BALANCE – Beginning of year	315	72
Contributions from:		
The Hamilton Public Library Board	–	206
Interest earned	25	37
	25	243
Expenditures	61	–
BALANCE – End of year	279	315

3. NET LONG TERM LIABILITIES AND DEBT CHARGES

These statements reflect only the current operations of the Library and do not show the capital outlay to be recovered, long term debt or debt charges, with the exception of the capital lease obligation referred to in note 3 (c).

(a) Debt charges were incurred during the year as follows:

	1996	1995
	\$	\$
Principal	725	642
Sinking Fund Deposit	235	238
Interest	555	632
	1,515	1,512

The Hamilton Public Library Board

NOTES TO THE FINANCIAL STATEMENTS

December 31, 1996

(All dollar amounts are in thousands of dollars)

3. NET LONG TERM LIABILITIES AND DEBT CHARGES – (continued)

(b) Principal payments are due as follows:

	\$
1997	603
1998	639
1999	644
2000	212
2001	212
thereafter	667
	<u>2,977</u>

(c) Capital lease obligation

The Hamilton Public Library Board is committed to the following minimum lease payments under the terms of capital lease obligations expiring in October 1999:

	\$
Future minimum lease payments	485
Less: amounts representing interest at a weighted rate of 6.47%	<u>34</u>
	<u>451</u>

	\$
Principal repayments are as follows:	
1997	199
1998	213
1999	<u>39</u>
	<u>451</u>

4. LIABILITY FOR VESTED SICK LEAVE BENEFITS

Effective May 1, 1982 the Income Protection Plan was adopted and sick leave credits earned under the Sick Leave Benefit Plan were frozen. Under the Sick Leave Benefit Plan unused sick leave would accumulate and employees were entitled to cash payment upon termination of services after ten continuous years. Entitlement to cash payment continues to apply to those employees who earned credits under this plan. The liability for these accumulated days, to the extent that they have vested and could be taken in cash by an employee on termination, amounted to \$435 (1995 – \$438) at the end of the year. Cash payments made in lieu of sick leave are included in the expenditures of the year in which services are terminated but no provision is made for the year in which the liability is incurred. The current year's expenditure of \$5 (1995 – \$20) for sick leave liability is not reflected in the Library's Statement of Revenue and Expenditure, but is included in the City's Consolidated Statement of Operations.

5. UTILITY CHARGES

The total operating expenditures for utilities supplied by the Central Utilities Plant to the Library amount to \$476 for 1996 (1995 – \$488). The cost of utilities is not reflected in the Library's Statement of Revenue and Expenditures, but are included in the City's Consolidated Statement of Operations.

The Hamilton Public Library Board

NOTES TO THE FINANCIAL STATEMENTS

December 31, 1996

(All dollar amounts are in thousands of dollars)

6. COMMITMENTS

Minimum future lease payments for various premises and equipment are as follows:

	\$
1997	499
1998	474
1999	455
2000	318
2001	324
	<u>2,070</u>

7. PENSION AGREEMENTS

The Hamilton Public Library makes contributions to the Ontario Municipal Employees Retirement System (OMERS), which is a multi-employee plan, on behalf of 212 members of its staff. The plan is a defined benefit plan which specifies the amount of the retirement benefit to be received by the employees based on the length of service and rates of pay.

The amounts contributed to OMERS are included in the Statement of Revenue and Expenditure. The current year's expenditure is \$519 (1995 - \$511).

8. RESERVES AND RESERVE FUNDS

	1996 \$	1995 \$
BALANCE - Beginning of year	<u>1,165</u>	<u>1,017</u>
REVENUE		
Contributions from revenue fund	1,680	1,784
Interest	59	24
Donations and other	16	74
	<u>1,755</u>	<u>1,882</u>
EXPENDITURE		
Purchase of library material	1,438	191
Replacement and repairs	3	1,543
	<u>1,441</u>	<u>1,734</u>
BALANCE - End of year	<u>1,479</u>	<u>1,165</u>
Reserves and reserve funds consist of:		
Replacement of equipment	185	176
Repairs to grounds	47	36
Repairs to buildings	216	209
Replacement of films	188	179
Replacement of photocopier	16	13
Purchase of books	566	323
Miscellaneous collections	87	83
Automated acquisition system	9	9
Non-book library materials	165	137
	<u>1,479</u>	<u>1,165</u>

The Hamilton Public Library Board

NOTES TO THE FINANCIAL STATEMENTS

December 31, 1996

(All dollar amounts are in thousands of dollars)

9. TRUST FUNDS

	1996 \$	1995 \$
BALANCE – Beginning of year	<u>953</u>	<u>920</u>
REVENUE		
Interest	125	74
Donations and other	<u>359</u>	<u>—</u>
	<u>484</u>	<u>74</u>
EXPENDITURES	<u>24</u>	<u>41</u>
BALANCE – End of year	<u><u>1,413</u></u>	<u><u>953</u></u>
Trust funds consist of:		
Special Gifts	951	565
F. Walden Bequest	54	35
M. Waldon Thomson Bequest	22	20
Ketha McLaren Memorial Fund	14	13
Capital Endowment Fund	357	307
Centennial Buy-A-Book Campaign	<u>15</u>	<u>13</u>
	<u><u>1,413</u></u>	<u><u>953</u></u>

The Hamilton Public Library Board

SCHEDULE OF EXPENDITURES
CENTRAL LIBRARY ADMINISTRATION and TECHNICAL SERVICES
for the year ended December 31, 1996
(in thousands of dollars)

	1996 \$	1995 \$
Administration	1,346	1,331
Operations	740	787
Audio/Visual	126	126
Boys and Girls	263	230
QUIC information	485	457
Special acquisitions	314	306
Business, science and technology	704	700
Social sciences and history	458	445
Fiction, language and literature	566	582
Fine arts	382	387
VLS/CED	285	279
Literacy	63	61
Bookmobiles	401	387
Circulation	607	589
Interlibrary loans	1	1
Public relations and publicity	455	498
Planning process	230	245
Acquisitions	475	449
Automated cataloguing	460	584
Final processing	205	309
Overdues	14	23
Automated library system	784	1,182
Common area, meeting rooms and staff room	2	1
Information Express	3	3
Photocopier services	42	42
Grants	439	391
	<u>9,850</u>	<u>10,395</u>



THE PARKING AUTHORITY
OF THE CITY OF HAMILTON

ANNUAL REPORT

To the Board of Directors of The
Parking Authority of the City of Hamilton
100 King Street West, Toronto, Ontario
M5X 1C5

**FINANCIAL
STATEMENTS**

December 31, 1996

In our opinion, the financial statements of The Parking Authority of the City of Hamilton for the year ended December 31, 1996, present a true and fair view of the financial position and results of operations of the Authority as at and for that period, in accordance with the accounting principles used and the accounting policies adopted by management, and are free from material misstatement.

Hamilton, Ontario
April 25, 1997

MacCallivray Partners
Chartered Accountants

MacGillivray Partners

Chartered Accountants

Standard Life Centre, Suite 650
120 King Street West
Hamilton, Ontario L8P 4V2
Telephone: (905) 523-7732
Facsimile: (905) 572-9333

AUDITORS' REPORT

To the Board of Directors of the
Parking Authority of the City of Hamilton,
Members of Council, Inhabitants and
Ratepayers of The Corporation of
the City of Hamilton

We have audited the balance sheet of **The Parking Authority of the City of Hamilton** as at December 31, 1996 and the statement of operations for the year then ended. These financial statements are the responsibility of the Authority's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with generally accepted auditing standards. Those standards require that we plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these financial statements present fairly, in all material respects, the financial position of The Parking Authority as at December 31, 1996 and the results of its operations for the year then ended in accordance with the accounting principles disclosed in note 1 to the financial statements.

Hamilton, Canada
April 21, 1997

MacGillivray Partners
CHARTERED ACCOUNTANTS

The Parking Authority of the City of Hamilton

BALANCE SHEET
December 31, 1996
(in thousands of dollars)

	1996 \$	1995 \$
ASSETS		
Current		
Cash	12	17
Accounts receivable – other	42	144
Prepaid expenses	34	51
Due from the City of Hamilton	21	
	<u>109</u>	<u>212</u>
Capital outlay financed by long term liabilities and to be recovered in future years	4,055	4,372
	<u>4,164</u>	<u>4,584</u>
LIABILITIES		
Current		
Accounts payable and accrued liabilities	103	25
Deferred revenue	6	18
Due to the City of Hamilton	—	169
	<u>109</u>	<u>212</u>
Long term		
Debentures payable (note 3)	3,696	4,013
Due to the City of Hamilton (note 3 (e))	359	359
	<u>4,055</u>	<u>4,372</u>
	<u>4,164</u>	<u>4,584</u>

See accompanying notes to the financial statements

The Parking Authority of the City of Hamilton

STATEMENT OF OPERATIONS
for the year ended December 31, 1996
(in thousands of dollars)

	1996 \$	1995 \$
REVENUE		
Parking fees		
Off-street parking lots (schedule 1)	1,770	1,990
Urban renewal lots (schedule 2)	34	39
Hamilton Place/Ellen Fairclough building - underground garage (schedule 3)	1,074	1,107
Unclassified	7	10
Administrative costs recovered	162	166
On-street meters	916	943
Contra advertising (note 7)	35	18
	<u>3,998</u>	<u>4,273</u>
EXPENDITURE		
Direct		
Off-street parking lots (schedule 1)	2,010	2,087
Urban renewal lots (schedule 2)	19	19
Hamilton Place/Ellen Fairclough building - underground garage (schedule 3)	1,103	1,388
On-street meters	54	97
	<u>3,186</u>	<u>3,591</u>
Indirect		
Administration (schedule 4)	487	371
General operating (schedule 4)	565	588
	<u>1,052</u>	<u>959</u>
	<u>4,238</u>	<u>4,550</u>
GROSS PROFIT (LOSS)	<u>(240)</u>	<u>(277)</u>
CHARGES FOR LONG TERM LIABILITY		
Principal	316	370
Interest	720	722
	<u>1,036</u>	<u>1,092</u>
LOSS	<u>(1,276)</u>	<u>(1,369)</u>
DISPOSITION OF LOSS		
Reserve for off-street parking (schedule 1)	(1,263)	(1,108)
Urban renewal partnership (schedule 2)	15	20
City of Hamilton (schedule 3)	(19)	(188)
Ministry of Government Services (schedule 3)	(9)	(93)
	<u>(1,276)</u>	<u>(1,369)</u>

See accompanying notes to the financial statements

The Parking Authority of the City of Hamilton

NOTES TO THE FINANCIAL STATEMENTS

December 31, 1996

(all dollar amounts are in thousands of dollars)

1. SIGNIFICANT ACCOUNTING POLICIES

The Parking Authority financial statements are the representation of management prepared in accordance with accounting policies prescribed for Ontario municipalities and their local boards by the Ministry of Municipal Affairs. Since precise determination of many assets and liabilities is dependent upon future events, the preparation of periodic financial statements necessarily involves the use of estimates and approximations. These have been made using careful judgements.

Basis of Accounting

- (a) Revenues and expenditures are reported on the accrual basis of accounting with the exception of principal and interest charges on long term liabilities which are charged against operations in the periods in which they are paid.
- (b) The accrual basis of accounting recognizes revenues as they become available and measurable; expenditures are recognized as they are incurred and measurable as a result of receipt of goods or services and the creation of a legal obligation to pay.
- (c) The historical cost and accumulated amortization of capital assets are not recorded for financial statement purposes. Capital assets are reported as an expenditure on the Statement of Operations in the year of acquisition.
- (d) Capital outlay to be recovered in future years, which represents the outstanding principal portion of unmatured long term liabilities, is reported on the Balance Sheet.

2. LIABILITY FOR VESTED SICK LEAVE BENEFITS

Effective January 1, 1982 the Income Protection Plan was adopted and sick bank credits earned under the Sick Leave Benefit Plan were frozen. Under the Sick Leave Benefit Plan unused sick leave would accumulate and employees were entitled to cash payment upon termination of services after seven continuous years. Entitlement to cash payment continues to apply to those employees who earned credits under this plan. The liability for these accumulated days, to the extent that they have vested and could be taken in cash by an employee on termination amounted to \$26 (1995 - \$26) at the end of the year. Cash payments made in lieu of sick leave are included in expenditures of the year in which services are terminated but no provision is made for the year in which the liability is incurred.

3. NET LONG TERM LIABILITIES

- (a) Principal repayments are as follows:

	\$
1997	497
1998	3,199
	<u>3,696</u>

The Parking Authority of the City of Hamilton

NOTES TO THE FINANCIAL STATEMENTS

December 31, 1996

(all dollar amounts are in thousands of dollars)

3. NET LONG TERM LIABILITIES – (continued)

(b) Sinking Fund

In March 1994, Regional Council approved, on the authority of the O.M.B., a reduction to the City of Hamilton's share in the contributions to the sinking fund in the amount of \$1,820 of which the Parking Authority's share is \$181. The contribution level has been adjusted to reflect the current level necessary to defray debenture debt and has the impact of reducing the current budget for the 1997 year. Reductions of future contributions are projected and will require similar approval by Regional Council.

(c) Approval of the Ontario Municipal Board has been obtained for the long term liabilities reported on the Balance Sheet.

(d) No provision has been made in these financial statements for the accrual of interest on the net long term liabilities. Had this provision been made, the accumulated losses transferred to the reserve would have increased by \$242 (1995 – \$242).

(e) The long-term debt due to the City of Hamilton is a capital loan payable to the City of Hamilton of \$359 (1995–\$359). The capital loan bears interest at forty-three basis points above the average annual ten-year Canada Bond rate. The principal repayments are as follows:

	\$
1998	316
1999	43
	<u>359</u>

4. CAPITAL ASSETS

The land, buildings and equipment of \$26,432 (1995 – \$26,355) are administered by the Parking Authority on behalf of the Corporation of the City of Hamilton and are not reported on the Balance Sheet.

5. RESERVES

The financial statements of the Parking Authority reflect the assets, liabilities, revenues and expenditures of its revenue and capital funds. Had the financial statements included the activities of its reserves, the following adjustments would have been made to the financial statements:

	Replacement of Equipment \$	Major Repairs to Mobile Equipment \$	Total \$
Balance at beginning of year	217	75	292
Provision		9	9
Interest	11	4	15
	11	13	24
Balance at end of year	<u>228</u>	<u>88</u>	<u>316</u>
Due from the City of Hamilton	<u>228</u>	<u>88</u>	<u>316</u>

The Parking Authority of the City of Hamilton

NOTES TO THE FINANCIAL STATEMENTS December 31, 1996

(all dollar amounts are in thousands of dollars)

6. PENSION AGREEMENTS

The Parking Authority makes contributions to the Ontario Municipal Employees Retirement System (OMERS), which is a multi-employer plan, on behalf of the members of its staff. The plan is a defined benefit plan which specifies the amount of retirement benefit to be received by the employees based on the length of service and rates of pay.

The amounts contributed to OMERS are included in the Statements of Revenue and Expenditures. The current year's expenditure is \$42 (1995 - \$44).

7. NON-MONETARY TRANSACTIONS

During the year the Parking Authority provided parking for organizations in exchange for advertising. The revenues and expenditures in the amount of \$35 (1995 - \$18) were measured based on the value of services given up or received. There were no gains or losses on the transactions.

8. LEASE COMMITMENTS

The City of Hamilton has entered into lease agreements on behalf of the Parking Authority for land to be used as parking lots. Future minimum lease payments which will be included in the Parking Authority's future Statements of Operations are as follows:

	\$
1997	177
1998	18
1999	4
2000	4
2001	4

9. COMPARATIVE FIGURES

Certain of the comparative figures have been reclassified to conform with financial statement presentation adopted for the current year.

MacGillivray Partners

Chartered Accountants

Standard Life Centre, Suite 650
120 King Street West
Hamilton, Ontario L8P 4V2
Telephone: (905) 523-7732
Facsimile: (905) 572-9333

AUDITORS' REPORT ON SUPPLEMENTARY INFORMATION

To the Board of Directors of the
Parking Authority of the City of Hamilton,
Members of Council, Inhabitants and
Ratepayers of The Corporation of
the City of Hamilton

We have reported on this date on the balance sheet of **The Parking Authority of the City of Hamilton** as at December 31, 1996 and the statement of operations for the year then ended. Our examination of the additional information included in schedules #1 through #4 for the year ended December 31, 1996 was limited to the extent necessary to allow us to express an opinion on the financial statements referred to above.

Hamilton, Canada
April 21, 1997

MacGillivray Partners
CHARTERED ACCOUNTANTS

The Parking Authority of the City of Hamilton

SCHEDULE #1 OF REVENUE AND EXPENDITURE OFF-STREET PARKING LOTS for the year ended December 31, 1996

	1996 \$	1995 \$
REVENUE		
Parking fees	<u>1,769,601</u>	<u>1,989,624</u>
EXPENDITURE		
Direct		
Attendants' wages	290,974	361,518
Light, power and utilities	93,105	94,418
Fuel	(28)	246
Operating supplies	1,394	2,362
Tickets	16,047	11,671
Unclassified	5,438	2,700
Repairs and maintenance		
Equipment	37,791	42,492
Grounds	101,938	53,425
Buildings	96,874	80,966
Realty and business taxes	1,125,220	1,203,661
Rent	209,696	195,643
Equipment	—	146
Promotion	31,958	37,582
	<u>2,010,407</u>	<u>2,086,830</u>
OPERATING LOSS	<u>(240,806)</u>	<u>(97,206)</u>
INDIRECT EXPENDITURE, ON-STREET METERS AND DEBT CHARGES	<u>(2,142,513)</u>	<u>(2,148,411)</u>
Less other revenues including on-street parking	<u>1,120,544</u>	<u>1,137,004</u>
	<u>(1,021,969)</u>	<u>(1,011,407)</u>
LOSS	<u>(1,262,775)</u>	<u>(1,108,613)</u>
DISPOSITION OF LOSS		
Reserve for off-street parking	<u>(1,262,775)</u>	<u>(1,108,613)</u>

Unaudited

The Parking Authority of the City of Hamilton

**SCHEDULE #2 OF REVENUE AND EXPENDITURE
URBAN RENEWAL LOTS
for the year ended December 31, 1996**

	James & Wilson	
	1996	1995
	\$	\$
REVENUE		
Parking fees	34,273	39,240
EXPENDITURE		
Direct		
Administrative charges	5,141	5,886
Light and power	165	166
Unclassified	50	50
Repairs and maintenance		
Equipment	292	1,208
Grounds	1,743	260
Realty and business taxes	11,581	11,377
	<u>18,972</u>	<u>18,947</u>
NET OPERATING PROFIT	<u>15,301</u>	<u>20,293</u>
DISPOSITION OF NET PROFIT		
Urban renewal partnership	<u>15,301</u>	<u>20,293</u>

Unaudited

The Parking Authority of the City of Hamilton

SCHEDULE #3 OF REVENUE AND EXPENDITURE
HAMILTON PLACE/ELLEN FAIRCLOUGH BUILDING
- UNDERGROUND GARAGE
for the year ended December 31, 1996

	Ministry of Government Services \$	Parking Authority \$	Totals 1996 \$	1995 \$
REVENUE				
Parking fees	355,529	718,578	1,074,107	1,106,810
EXPENDITURE				
Direct				
Administration charges	52,028	105,156	157,184	160,442
Attendants' wages	128,525	259,767	388,292	471,291
Light, power and utilities	57,688	116,596	174,284	172,508
Unclassified	1,910	3,859	5,769	3,698
Repairs and maintenance	12,882	26,038	38,920	233,145
Realty and business taxes	97,018	196,088	293,106	287,933
Operating equipment	293	593	886	1,722
Insurance	3,988	8,062	12,050	11,078
Consultant's Fee	2,105	4,254	6,359	8,901
Promotion	8,677	17,538	26,215	37,200
	365,114	737,951	1,103,065	1,387,918
OPERATING LOSS	<u>(9,585)</u>	<u>(19,373)</u>	<u>(28,958)</u>	<u>(281,108)</u>
DISPOSITION OF LOSS				
City of Hamilton 66.9%	—	(19,373)	(19,373)	(188,061)
Ministry of Government Services 33.1%	<u>(9,585)</u>	<u>—</u>	<u>(9,585)</u>	<u>(93,047)</u>
	<u>(9,585)</u>	<u>(19,373)</u>	<u>(28,958)</u>	<u>(281,108)</u>

Unaudited

The Parking Authority of the City of Hamilton

SCHEDULE #4 OF INDIRECT EXPENDITURE for the year ended December 31, 1996

	1996 \$	1995 \$
ADMINISTRATION		
Salaries – office	158,316	162,506
Employees' benefits	54,820	39,983
Telephone	4,562	7,371
Advertising and publicity	44,965	28,348
Postage	912	960
Stationery and office supplies	5,266	8,178
Miscellaneous expenditures	14,457	13,693
Insurance	42,901	42,834
Professional fees	1,540	1,510
Office equipment	22,665	21,892
Travelling	9,910	12,964
Consultants fee	4,249	3,225
Armoured car charges	8,150	5,057
Social contract mitigation	30,400	22,800
Interest expense – City of Hamilton	84,490	–
	<u>487,603</u>	<u>371,321</u>
GENERAL OPERATING		
Salaries	372,247	359,763
Employees' benefits	96,099	88,021
Telephone	14,252	11,387
Cleaning supplies	3,975	3,691
Operating supplies	7,249	10,347
Maintenance – automotive equipment	34,893	37,146
Operating equipment	5,009	1,430
Replacement and repairs of equipment and vehicles	31,097	76,533
	<u>564,821</u>	<u>588,318</u>
TOTAL INDIRECT EXPENDITURE	<u><u>1,052,424</u></u>	<u><u>959,639</u></u>

Unaudited



THE HAMILTON AND SCOURGE FOUNDATION

To the Board of Directors of the Hamilton
and Scourge Foundation, Inc. Members of Council,
Magistrates and Justices of the Court of
the City of Hamilton

We have audited the income statement of The Hamilton and Scourge Foundation, Inc. as at December 31, 1996 and the statement of financial position as at that date for the year then ended. These financial statements are the responsibility of the management of the Foundation. Our responsibility is to express an opinion on these statements.

Except as explained below, our audit was conducted in accordance with the generally accepted auditing standards. The audit included the examination of the accounting records, the inspection of the supporting documents, and the performance of other procedures which we considered necessary in the circumstances. In our opinion, the financial statements are presented fairly, in all material aspects, the financial position of the Foundation as at December 31, 1996 and the results of its operations for the year then ended in accordance with generally accepted accounting principles.

FINANCIAL STATEMENTS

December 31, 1996

In preparing the financial statements, management has used the accounting principles and methods, the appropriateness of which is not a matter for auditor's consideration. Accordingly, our auditor has obtained evidence as to the appropriateness of the accounting principles and methods used by management and has found no material misstatements in the financial statements for the year then ended.

In our opinion, except for the effect of uncertainties, it was not our right to be determined to be necessary had we been able to satisfy ourselves concerning the appropriateness of revenue related to the preceding paragraph, these financial statements present fairly, in all material aspects, the financial position of the Foundation as at December 31, 1996 and the results of its operations for the year then ended in accordance with generally accepted accounting principles.

HAMILTON, CANADA
APRIL 23, 1997

MacGillivray Partners
Chartered Accountants

MacGillivray Partners

Chartered Accountants

Standard Life Centre, Suite 650
120 King Street West
Hamilton, Ontario L8P 4V2
Telephone: (905) 523-7732
Facsimile: (905) 572-9333

AUDITORS' REPORT

To the Board of Directors of the Hamilton
and Scourge Foundation, Inc., Members of Council,
Inhabitants and Ratepayers of The Corporation of
the City of Hamilton

We have audited the balance sheet of the **Hamilton and Scourge Foundation, Inc.** as at December 31, 1996 and the statement of revenue, expense and deficit for the year then ended. These financial statements are the responsibility of the Foundation's management. Our responsibility is to express an opinion on these financial statements based on our audit.

Except as explained the following paragraph, we conducted our audit in accordance with generally accepted auditing standards. Those standards require that we plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In common with many not-for-profit organizations, the Foundation derives revenue from fund-raising activities and donations, the completeness of which is not susceptible to satisfactory audit verification. Accordingly, our verification of these revenues was limited to the amounts recorded in the records of the Foundation and we were not able to determine whether any adjustments might be necessary to revenue, excess of revenue for the year, assets and deficit.

In our opinion, except for the effects of adjustments, if any, which we might have determined to be necessary had we been able to satisfy ourselves concerning the completeness of revenue referred to in the preceding paragraph, these financial statements present fairly, in all material respects, the financial position of the Foundation as at December 31, 1996 and the results of its operations for the year then ended in accordance with generally accepted accounting principles.

Hamilton, Canada
April 25, 1997

MacGillivray Partners
CHARTERED ACCOUNTANTS

The Hamilton and Scourge Foundation, Inc.

BALANCE SHEET December 31, 1996

	1996 \$	1995 \$
ASSETS	-	-
	-	-
LIABILITIES		
Current		
Loan payable – City of Hamilton (note 2)	69,629	69,679
DEFICIT	(69,629)	(69,679)
	-	-

STATEMENT OF REVENUE, EXPENSES AND DEFICIT for the year ended December 31, 1996

	1996 \$	1995 \$
Revenue	50	-
Expense	-	-
EXCESS OF REVENUE FOR THE YEAR	50	-
DEFICIT – Beginning of year	(69,679)	(69,679)
DEFICIT – End of year	(69,629)	(69,679)

See accompanying notes to the financial statements

The Hamilton and Scourge Foundation, Inc.

NOTES TO THE FINANCIAL STATEMENTS December 31, 1996

1. SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the Foundation are the representation of management prepared in accordance with generally accepted accounting principles. Since precise determination of many assets and liabilities is dependent upon future events, the preparation of periodic financial statements necessarily involves the use of estimates and approximations. These have been made using careful judgements.

(a) Accounting Entity

The Hamilton and Scourge Foundation, Inc. was incorporated on January 29, 1981 by letters patent as a corporation without share capital.

The purpose of the Foundation is to receive and disburse funds on behalf of the "Hamilton" and "Scourge" project, in accordance with the City of Hamilton Act, 1979. As such, the Foundation is accounted for separately from the "Hamilton" and "Scourge" project undertaken by the Corporation of the City of Hamilton, the financial activities of which are reported on the consolidated statement of operations of that municipality.

Upon the dissolution of the Foundation and after payment of all debts and liabilities, its remaining property shall be distributed or disposed of to The Corporation of the City of Hamilton.

(b) Basis of Accounting

Revenue and expense are reported on the accrual basis of accounting. The accrual basis of accounting recognizes revenues as they become available and measurable; expenses are recognized as they are incurred and measurable as a result of receipt of goods or services and the creation of a legal obligation to pay.

(c) Capital Assets

The historical cost and accumulated amortization for capital assets are not recorded for financial statement purposes. Capital assets are reported as an expense in the year of acquisition.

(d) Donations

Donations are recorded as revenue when received.

2. LOAN PAYABLE TO THE CORPORATION OF THE CITY OF HAMILTON

On May 25, 1982, The Corporation of the City of Hamilton approved a loan to The Hamilton and Scourge Foundation, Inc. to a maximum of \$75,000. The loan is interest free and due on demand.

HAMILTON HOUSING COMPANY LIMITED

AUDITOR'S REPORT

To the Shareholders of Hamilton Housing
Company Limited, Members of Council
Municipality and Members of The Corporation
of the City of Hamilton

We have audited the accounts of Hamilton Housing Company Limited for the year ended December 31, 1996 and the accounts of the Corporation of the City of Hamilton for the year ended December 31, 1996.

We are pleased to report that we have found the accounts of Hamilton Housing Company Limited and the Corporation of the City of Hamilton to be in accordance with the accounting principles generally accepted in Canada.

In our opinion, the accounts of Hamilton Housing Company Limited and the Corporation of the City of Hamilton as at December 31, 1996 and for the year ended December 31, 1996 are in accordance with the accounting principles generally accepted in Canada.

HAMILTON, CANADA
March 21, 1997

MacGillivray Partners
Chartered Accountants

FINANCIAL STATEMENTS

December 31, 1996

MacGillivray Partners

Chartered Accountants

Standard Life Centre, Suite 650
120 King Street West
Hamilton, Ontario L8P 4V2
Telephone: (905) 523-7732
Facsimile: (905) 572-9333

AUDITORS' REPORT

To the Shareholders of Hamilton Housing
Company Limited, Members of Council,
Inhabitants and Ratepayers of The Corporation
of the City of Hamilton

We have audited the balance sheet of the **Hamilton Housing Company Limited** as at December 31, 1996 and the statement of operations - shelter and statement of continuity of reserves for the year then ended. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with generally accepted auditing standards. Those standards require that we plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these financial statements present fairly, in all material respects, the financial position of the Company as at December 31, 1996 and the results of its operations for the year then ended in accordance with the accounting principles disclosed in note 1 to the financial statements.

Hamilton, Canada
March 21, 1997

MacGillivray Partners
CHARTERED ACCOUNTANTS

Hamilton Housing Company Limited

BALANCE SHEET December 31, 1996

	1996 \$	1995 \$
ASSETS		
Current		
Cash	25,387	2,206
Due from City of Hamilton	254,917	224,643
Accounts receivable	6,216	5,493
Rents receivable	707	3,619
Due from Municipal Non-Profit (Hamilton) Housing Corporation (note 3)	—	9,415
Prepaid expenses	15,449	1,480
	<u>302,676</u>	<u>246,856</u>
Capital		
Land	20,200	20,200
Buildings	391,291	391,291
Equipment	17,976	17,976
	<u>429,467</u>	<u>429,467</u>
Less accumulated amortization	<u>224,820</u>	<u>211,384</u>
	<u>204,647</u>	<u>218,083</u>
	<u>507,323</u>	<u>464,939</u>
LIABILITIES		
Current		
Accounts payable	6,947	34,761
Rent deposits payable	6,550	3,711
Tenants' advances	1,802	4,480
Current portion of mortgages payable	14,169	13,436
Due to Municipal Non-Profit (Hamilton) Housing Corporation (note 3)	13,006	—
	<u>42,474</u>	<u>56,388</u>
Mortgages Payable (note 2)	<u>50,511</u>	<u>64,680</u>
RESERVES	<u>274,371</u>	<u>203,904</u>
EQUITY		
Capital stock (note 4)	59,500	59,500
Capital surplus	80,467	80,467
	<u>139,967</u>	<u>139,967</u>
	<u>507,323</u>	<u>464,939</u>

See accompanying notes to the financial statements

Hamilton Housing Company Limited

STATEMENT OF OPERATIONS – SHELTER for the year ended December 31, 1996

	1996 \$	1995 \$
REVENUE		
Rentals – tenants	243,846	234,471
Rent supplements – Government of Canada	25,521	30,982
Laundry equipment	3,043	5,431
Other revenue	147	1,095
	<u>272,557</u>	<u>271,979</u>
EXPENSES		
Superintendent	14,160	10,040
Maintenance, Materials and Services		
Building – general	26,239	22,647
Grounds	6,265	6,762
	<u>32,504</u>	<u>29,409</u>
Utilities		
Electricity	20,518	20,858
Water	5,527	8,763
Fuel	15,604	16,222
	<u>41,649</u>	<u>45,843</u>
Property		
Insurance	1,587	1,383
Municipal taxes	70,244	69,243
Amortization of building – mortgage principal repayment	13,436	12,743
Mortgage interest	4,272	4,965
Goods and Services Tax (Kiwanis – net)	1,363	1,252
Other	2,431	3,821
	<u>93,333</u>	<u>93,407</u>
Administration	28,412	28,414
Bad debts	1,810	433
Audit fees	685	650
	<u>30,907</u>	<u>29,497</u>
Transfer to Reserve for Building Repairs	60,004	63,783
	<u>272,557</u>	<u>271,979</u>
EXCESS OF REVENUE (EXPENSES) FROM OPERATIONS	<u>–</u>	<u>–</u>

See accompanying notes to the financial statements

Hamilton Housing Company Limited

STATEMENT OF CONTINUITY OF RESERVES for the year ended December 31, 1996

	Total \$	Reserve for Building Repairs \$	Reserve for Operations \$	Reserve for Special Repairs \$
BALANCE – Beginning of year	203,904	108,569	2,252	93,083
Contribution from revenue fund	60,004	60,004	–	–
Interest on reserves	11,844	7,024	114	4,706
	<u>275,752</u>	<u>175,597</u>	<u>2,366</u>	<u>97,789</u>
Expenditures	(1,381)	(1,381)	–	–
BALANCE – End of year	<u><u>274,371</u></u>	<u><u>174,216</u></u>	<u><u>2,366</u></u>	<u><u>97,789</u></u>

See accompanying notes to the financial statements

Hamilton Housing Company Limited

NOTES TO THE FINANCIAL STATEMENTS December 31, 1996

1. SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the Company are the representation of management prepared in accordance with accounting policies prescribed for Ontario municipal housing companies by the Ministry of Municipal Affairs. Since precise determination of many assets and liabilities is dependent upon future events, the preparation of periodic financial statements necessarily involves the use of estimates and approximations. These have been made using careful judgements.

(a) Basis of Accounting

Revenue and expenses are reported on the accrual basis of accounting with the exception of interest on long term liabilities which is charged against operations in the periods in which it is paid.

The accrual basis of accounting recognizes revenues as they become available and measurable; expenses are recognized as they are incurred and measurable as a result of receipt of goods or services and the creation of a legal obligation to pay.

(b) Capital Assets and Amortization

The land, building and equipment acquired with the proceeds from capital contributions and long term debt are recorded at original cost. To the extent that the capital assets so acquired were financed from the proceeds of long term debt, they are being amortized at an amount equal to the mortgage principal payments over the terms of the mortgages. The balance of the capital assets represented by the capital contributions are not being amortized and will be carried on the Balance Sheet indefinitely.

The cost of replacement equipment and major building repairs are charged to the reserve for building repairs and improvements in the year of occurrence.

2. MORTGAGES PAYABLE

As per agreements with the Canada Mortgage and Housing Corporation, the Hamilton Housing Company Limited is required to make blended mortgage payments due March 1, June 1, September 1 and December 1 of each year to the maturity date of the mortgage instruments. The mortgages payable are as follows:

	1996 \$	1995 \$
Macassa Park Apartments, bearing interest at 3.75%, with blended quarterly payments of \$1,685 and maturing December 1, 1997	3,276	6,432
Ada Pritchard Court Apartments bearing interest at 5.875%, with blended quarterly payments of \$7,170 and maturing September 1, 2001	61,404	71,684
	64,680	78,116
	14,169	13,436
Less: Current portion	50,511	64,680

Hamilton Housing Company Limited

NOTES TO THE FINANCIAL STATEMENTS December 31, 1996

2. MORTGAGES PAYABLE – (continued)

Scheduled principal repayments are as follows:

	Macassa Park Apartments \$	Ada Pritchard Court Apartments \$	Total \$
1997	3,276	10,893	14,169
1998	–	11,542	11,542
1999	–	12,230	12,230
2000	–	13,009	13,009
2001	–	13,730	13,730
	<u>3,276</u>	<u>61,404</u>	<u>64,680</u>

3. DUE TO/FROM THE MUNICIPAL NON-PROFIT (HAMILTON) HOUSING CORPORATION

The December 31, 1996 net payable position is a result of a joint bank account which the property managers use for Municipal Non-Profit (Hamilton) Housing Corporation and Hamilton Housing Company. The revenues and expenses are tracked separately.

4. CAPITAL STOCK

	1996 \$	1995 \$
Authorized 2,000 shares with dividends limited to \$2.50 per share		
Issued 1,190 shares	<u>59,500</u>	<u>59,500</u>

5. COMPARATIVE FIGURES

Certain comparative figures have been reclassified to conform with the financial statement presentation adopted in the current year.

THE HAMILTON MUNICIPAL RETIREMENT FUND

AUDITOR'S REPORT

To the Members of Council,
Wentworth and Peterborough
City Councils, 1-2
The City of Hamilton

FINANCIAL STATEMENTS

December 31, 1996

Our audit was conducted in accordance with the provisions of the *Chartered Accountants Act* and the *Chartered Accountants' Code of Ethics*. We have examined the financial statements of the Fund as at December 31, 1996, and the results of its operations for the year then ended in accordance with generally accepted accounting principles.

HAMILTON, CANADA
April 26, 1997

MacGillivray Partners
Chartered Accountants

MacGillivray Partners

Chartered Accountants

Standard Life Centre, Suite 650
120 King Street West
Hamilton, Ontario L8P 4V2
Telephone: (905) 523-7732
Facsimile: (905) 572-9333

AUDITORS' REPORT

To the Members of Council,
Inhabitants, and Ratepayers
of The Corporation of
the City of Hamilton

We have audited the statement of net assets available for benefits of the **Hamilton Municipal Retirement Fund** as at December 31, 1996 and the statement of changes in net assets available for benefits for the year then ended. These financial statements are the responsibility of the Fund's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with generally accepted auditing standards. Those standards require that we plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these financial statements present fairly, in all material respects, the financial position of the Fund as at December 31, 1996 and the results of its operations for the year then ended in accordance with generally accepted accounting principles.

Hamilton, Canada
April 25, 1997

MacGillivray Partners

CHARTERED ACCOUNTANTS

The Hamilton Municipal Retirement Fund

STATEMENT OF NET ASSETS AVAILABLE FOR BENEFITS

December 31, 1996

(in thousands of dollars)

	1996 \$	1995 \$
ASSETS		
Cash	566	624
Due from City of Hamilton	633	1,185
Investments (note 3)		
Short term notes and deposits	9,182	7,031
Bonds		
Federal	16,679	15,816
Provincial	7,014	2,478
Municipal	108	2,446
Corporate	12,581	15,610
Supranational	7,231	5,364
Mortgages	223	230
Equities	72,207	66,158
	125,225	115,133
Receivables		
Accrued investment income	983	992
	127,407	117,934
LIABILITIES		
Accounts payable	87	89
Liability for prior service agreement		
– O.M.E.R.S. transfer (note 4)	7,074	8,563
	7,161	8,652
NET ASSETS AVAILABLE FOR BENEFITS	<u>120,246</u>	<u>109,282</u>

The Hamilton Municipal Retirement Fund

STATEMENT OF CHANGES IN NET ASSETS AVAILABLE FOR BENEFITS
for the year ended December 31, 1996
(in thousands of dollars)

	1996 \$	1995 \$
INCREASE IN ASSETS		
Investment Income	24,355	9,694
Current period change in market value of investments	(3,018)	8,362
Contributions (note 6)		
Employer	72	82
Employee	61	65
	133	147
	<u>21,470</u>	<u>18,203</u>
DECREASE IN ASSETS		
Pension payments	9,472	9,517
Administrative expenses	499	611
Commuted pensions	—	7
Interest expense — O.M.E.R.S.	535	633
	<u>10,506</u>	<u>10,768</u>
Increase in net assets	10,964	7,435
NET ASSETS AVAILABLE FOR BENEFITS at beginning of year	<u>109,282</u>	<u>101,847</u>
NET ASSETS AVAILABLE FOR BENEFITS at end of year	<u><u>120,246</u></u>	<u><u>109,282</u></u>

The Hamilton Municipal Retirement Fund

NOTES TO THE FINANCIAL STATEMENTS

December 31, 1996

(all dollar amounts are in thousands of dollars)

1. DESCRIPTION OF THE FUND

The following description of the Hamilton Municipal Retirement Fund (the Fund) is a summary only. For more complete information, reference should be made to the Fund's management.

(a) General

The Hamilton Municipal Retirement Fund (H.M.R.F.) was established effective January 1, 1957 under authority of By-law No. 7970 of the Corporation of the City of Hamilton.

All accumulated pension funds in respect of earlier pension plans were transferred to the Fund with the exception of those for the Government Annuities Branch contracts which are restricted in this respect.

In accordance with a provision of the Ontario Municipal Employees Retirement System (O.M.E.R.S.) from July 1, 1965, all new employees of the Corporation of the City of Hamilton are included under O.M.E.R.S. rather than the H.M.R.F. As a consequence, the membership of the H.M.R.F. has become closed to new entrants and will decrease as existing members terminate.

(b) Funding Policy

The Pension Commission of Ontario requires that The Corporation of the City of Hamilton, being the plan sponsor, must fund the benefits determined under the plan. The determination of the value of these benefits is made on the basis of a triennial actuarial valuation (see note 6).

(c) Normal Pensions

A normal pension is available based on the number of years of credited service up to 35 times 2% of the best five years' average earnings reduced by a Canada Pension Plan (C.P.P.) reduction calculated at 0.7% of the lesser of the Year's Maximum Pensionable Earnings in the year of retirement and the best five year average earnings for each year of contributory service since January 1, 1966. The C.P.P. reduction does not take effect until the member is age 65.

(d) Disability Pensions

A disability pension is available calculated in the same manner as the normal pension except that the C.P.P. reduction is immediate.

(e) Early Retirement Pension

An early retirement pension is available to persons (on and after) age 50 for firefighters and age 55 for all others and is based on the accrued normal retirement pension beginning on the normal retirement date or an actuarial equivalent thereof beginning on retirement. There is no reduction after 30 years of contributory service for all other employees.

The Hamilton Municipal Retirement Fund

NOTES TO THE FINANCIAL STATEMENTS

December 31, 1996

(all dollar amounts are in thousands of dollars)

1. DESCRIPTION OF THE FUND – (continued)

(f) Death Benefits

If death occurs before retirement the benefit will be paid to the member's spouse or other named beneficiary. The payment to a spouse is the greater of the pension equal to a 60% Joint and Survivor based on 60% of the accrued pension plus an additional 10% for each child under 21 years of age up to a maximum of 75%, the minimum Ontario Death Benefit for post-1987 benefits and the 50% rule commuted value. The payment to other than a spouse is the greater of a refund of pre-1987 contributions plus interest, the minimum Ontario Death Benefit and the 50% rule commuted value. If death occurs after retirement, the benefit will be in accordance with the normal form of pension or, if elected by the member, one of several optional forms available.

(g) Withdrawal Benefits

If less than ten years of service has been completed, the refund will be the sum of the employee's contributions plus interest. If ten or more years of service have been completed, the employee has the option of a refund or accrued pension deferred to the normal retirement date except if the employee is at least age 45. In this case, only the deferred pension is available in respect of service after 1964.

2. SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the Fund are the representation of management prepared in accordance with generally accepted accounting principles. Since precise determination of many assets and liabilities is dependent upon future events, the preparation of periodic financial statements necessarily involves the use of estimates and approximations. These have been made using careful judgements.

(a) Basis of Presentation

These financial statements are prepared on the going concern basis and present the aggregate financial position of the Fund as a separate financial reporting entity independent of The Corporation of the City of Hamilton and pension plan members. The statements are prepared to assist plan members and others in reviewing the activities of the Fund for the fiscal period but do not portray the funding requirements of the plan or the benefit security of individual plan members.

(b) Investments

Investments are stated at market value.

The Hamilton Municipal Retirement Fund

NOTES TO THE FINANCIAL STATEMENTS

December 31, 1996

(all dollar amounts are in thousands of dollars)

3. INVESTMENTS

(a) Short Term Notes and Deposits

Short term notes and deposits are primarily treasury bills and other discounted notes with maturities between one and six months.

(b) Bonds and Equities

Bonds and equities are valued using published market quotations.

(c) Mortgages

Mortgages are secured by real estate and are valued using current market yields.

4. LIABILITY FOR PRIOR YEAR SERVICE AGREEMENT

The liability is being repaid over four years and bears interest at 7% per annum. Principal repayments are as follows:

	\$
1997	1,593
1998	1,705
1999	1,824
2000	1,952
	<u>7,074</u>

5. OBLIGATIONS

The present value of accrued pension benefits was determined using the projected unit credit valuation method. An actuarial valuation was made as at December 31, 1995 by The Wyatt Company, a firm of consultants and actuaries, and was then extrapolated to December 31, 1996.

The actuarial present value of benefits as at December 31 and the principal components of changes in actuarial present values during the year were as follows:

	1996 \$	1995 \$
Actuarial present value of accrued pension benefits – Beginning of year	90,040	93,685
Amendments to the plan	1,905	175
Interest accrued on benefits	5,772	6,185
Benefits accrued	132	177
Benefits paid	(9,472)	(9,517)
Experience gain	(2,978)	(665)
Actuarial present value of accrued pension benefits – End of year	<u>85,399</u>	<u>90,040</u>

The Hamilton Municipal Retirement Fund

NOTES TO THE FINANCIAL STATEMENTS

December 31, 1996

(all dollar amounts are in thousands of dollars)

5. OBLIGATIONS – (continued)

The assumptions used in determining the actuarial value of accrued pension benefits were developed by reference to expected long term market conditions. Significant long term actuarial assumptions used in the valuation were:

	1996	1995
Asset rate of return	7%	7%
Salary escalation rate	5%	5%

The actuarial value of net assets available for benefits has been determined at amounts that reflect long term market trends (consistent with assumptions underlying the valuation of the accrued pension benefits). The valuation is based on a five year market value moving average basis. Under this method the market value is the underlying basis, but fluctuations are averaged over a five year period.

The actuarial asset values used for the valuation were:

	1996 \$	1995 \$
Market value of net assets available for benefits	120,246	109,282
Market value changes not reflected in actuarial value of net assets	(21,842)	(12,501)
Actuarial value of net assets available for benefits	<u>98,404</u>	<u>96,781</u>

6. FUNDING POLICY

Employees are required to contribute 7.0% of pensionable earnings up to the Year's Maximum Pensionable Earnings (Y.M.P.E.) and 8.5% of pensionable earnings over the Y.M.P.E. for a maximum of 35 years for firefighters where normal retirement age is 60 and 6.0% of pensionable earnings up to Y.M.P.E. and 7.5% over Y.M.P.E. for all others. The Corporation of the City of Hamilton is required to provide the balance of the funding, based on triennial actuarial valuations, necessary to ensure that benefits will be fully provided for at retirement. The City's funding policy is to make annual contributions to the Fund in amounts that are estimated to remain a constant percentage of employees' compensation each year (1996 – 9.08% of pensionable earnings, 1995 – 9.08% of pensionable earnings).

The most recent actuarial valuation for funding purposes was prepared by The Wyatt Company as at December 31, 1995 and a copy of this valuation was filed with the Pension Commission of Ontario. The valuation disclosed an actuarial surplus of \$6,399.

7. RELATED PARTY TRANSACTIONS

The administration of the Fund is handled by The Corporation of the City of Hamilton. Related costs of \$92 (1995 – \$93) are included in administration expenses in the Statement of Changes in Net Assets Available for Benefits.



HAMILTON HYDRO-ELECTRIC SYSTEM

AUDITORS' REPORT

To the Members of the Hydro-Electric Board, Chairman,
Aldermen of Council, Merchants and Burgesses of
The Corporation of the City of Hamilton

We have audited the accounts of the Hamilton Hydro-Electric System as at December 31, 1996 and the statements of operations and other financial statements for the year then ended. These accounts, statements and the statements of the City of Hamilton are the responsibility of the Corporation and the Corporation's management. Our responsibility is to express an opinion on these accounts and statements based on our audit.

We conducted our audit in accordance with the standards of the Chartered Accountants of Ontario. These standards require that we plan and perform the audit so as to obtain sufficient evidence to be satisfied that the accounts and statements are free of material misstatement. We conducted our audit on the basis of sampling and other auditing techniques. We did not audit the accounts and statements of the City of Hamilton which are included in the accounts and statements of the Corporation. These accounts and statements are the responsibility of the City of Hamilton and its management. Our responsibility is to express an opinion on the accounts and statements of the Corporation based on our audit.

In our opinion, these financial statements of the Corporation, the financial statements of the Corporation as at December 31, 1996 and the statements of operations and other financial statements for the year then ended are in accordance with the accounting principles and practices generally accepted in the Province of Ontario.

Walter G. Gorman
February 5, 1997

Walter G. Gorman
CHARTERED ACCOUNTANTS

MacGillivray Partners

Chartered Accountants

Standard Life Centre, Suite 650
120 King Street West
Hamilton, Ontario L8P 4V2
Telephone: (905) 523-7732
Facsimile: (905) 572-9333

AUDITORS' REPORT

To the Members of the Hydro-Electric Power Commission,
Members of Council, Inhabitants and Ratepayers of
The Corporation of the City of Hamilton

We have audited the balance sheet of the **Hamilton Hydro-Electric System** as at December 31, 1996 and the statements of operations and utility equity and changes in cash resources for the year then ended. These financial statements are the responsibility of the system's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with generally accepted auditing standards. Those standards require that we plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these financial statements present fairly, in all material respects, the financial position of the system as at December 31, 1996 and the results of its operations and the changes in its cash resources for the year then ended in accordance with the accounting principles disclosed in Note 1 to the financial statements.

*Hamilton, Canada
February 6, 1997*

MacGillivray Partners
CHARTERED ACCOUNTANTS

HAMILTON HYDRO-ELECTRIC SYSTEM

BALANCE SHEET *(in thousands of dollars)*

DECEMBER 31, 1996

ASSETS

CURRENT

Cash (note 3)	\$ 56,767	\$ 51,892
Accounts receivable (note 4)	31,961	31,897
Inventories (note 5)	5,091	6,116
Other current assets (note 6)	13,888	14,761

107,707 104,666

CAPITAL

Plant and equipment (note 2)	125,876	120,303
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EQUITY IN ONTARIO HYDRO

205,992 182,244

LIABILITIES AND EQUITY

CURRENT

Payables and accruals	\$ 38,114	\$ 37,899
Deposits	148	96
Vested sick leave	225	266
Current portion of obligation under capital lease	148	-

38,635 38,261

OBLIGATION UNDER CAPITAL LEASE (note 10)

376 -

UTILITY EQUITY (note 11)

194,572 186,708

EQUITY IN ONTARIO HYDRO

205,992 182,244

\$ 439,575 \$ 407,213

APPROVED ON BEHALF OF THE COMMISSION

Robert Mow

Chairman

Albee Thomson

Commissioner

See accompanying Notes to the Financial Statements

HAMILTON HYDRO-ELECTRIC SYSTEM

STATEMENT OF OPERATIONS AND UTILITY EQUITY *(in thousands of dollars)*

FOR THE YEAR ENDED DECEMBER 31, 1996

	1996	1995
SERVICE REVENUE <i>(note 7)</i>	\$ 369,363	\$ 369,169
SERVICE REVENUE ADJUSTMENT <i>(note 8)</i>	<u>(816)</u>	<u>559</u>
	368,547	369,728
COST OF POWER	<u>340,822</u>	<u>339,531</u>
GROSS MARGIN ON SERVICE REVENUE	27,725	30,197
OTHER OPERATING REVENUE <i>(note 9)</i>	<u>4,867</u>	<u>6,034</u>
	<u>32,592</u>	<u>36,231</u>
EXPENSES		
Transmission	2,084	1,958
Overhead distribution	1,745	1,584
Underground distribution	1,193	1,145
Line transformers	412	398
Meters	1,452	1,306
Consumers' premises	1,118	1,027
Water heaters	245	273
Customer services	399	393
Billing and collecting	4,326	4,065
Administrative	3,380	3,516
Interest	48	43
Bad debts	674	1,175
Amortization	<u>7,799</u>	<u>7,207</u>
	<u>24,875</u>	<u>24,090</u>
NET INCOME FOR THE YEAR	7,717	12,141
UTILITY EQUITY - Beginning of year	186,708	173,695
CAPITAL CONTRIBUTIONS	<u>147</u>	<u>872</u>
UTILITY EQUITY - End of Year	<u>\$ 194,572</u>	<u>\$ 186,708</u>

See accompanying Notes to the Financial Statements

HAMILTON HYDRO-ELECTRIC SYSTEM

STATEMENT OF CHANGES IN CASH RESOURCES *(in thousands of dollars)*

FOR THE YEAR ENDED DECEMBER 31, 1996

	1996	1995
OPERATIONS		
Net income for the year	\$ 7,717	\$ 12,141
Items not affecting working capital		
Amortization of capital assets	8,344	7,799
Gain (loss) on disposal of capital assets	<u>60</u>	<u>(180)</u>
Working capital provided by operations	16,121	19,760
Charges in non-cash components		
Accounts receivable	(64)	(996)
Inventories	1,025	(955)
Other current assets	873	(417)
Payables and accruals	215	2,434
Vested sick leave	<u>(41)</u>	<u>(6)</u>
Cash from operations	<u>18,129</u>	<u>19,820</u>
INVESTING		
Proceeds on disposal of capital assets	33	194
Additions to capital assets	<u>(14,010)</u>	<u>(13,133)</u>
	<u>(13,977)</u>	<u>(12,939)</u>
FINANCING		
Capital contributions received	147	872
Deposits	52	(81)
Obligation under capital lease	<u>524</u>	<u>-</u>
	<u>723</u>	<u>791</u>
INCREASE IN CASH RESOURCES	4,875	7,672
CASH RESOURCES - Beginning of year	<u>51,892</u>	<u>44,220</u>
CASH RESOURCES - End of year	<u>\$ 56,767</u>	<u>\$ 51,892</u>

See accompanying Notes to the Financial Statements

HAMILTON HYDRO-ELECTRIC SYSTEM

NOTES TO THE FINANCIAL STATEMENTS *(in thousands of dollars)*

DECEMBER 31, 1996

1. ACCOUNTING POLICIES

The financial statements have been prepared in accordance with accounting principles for municipal electrical utilities in Ontario as required by Ontario Hydro under the authority of Section 96 of The Power Corporations Act and reflect the following policies as set forth in the manual "Accounting for Municipal Electrical Utilities in Ontario".

(a) Revenue Recognition

Service revenue is recorded on the basis of regular meter readings and estimates of customer usage since the last meter reading date to the end of the year.

(b) Inventory Valuation

The inventory of materials and reels is valued at average cost.

(c) Amortization

Plant amortization is provided in accordance with the recommendations of Ontario Hydro. Capital assets in service at December 31, 1979 are being amortized on a straight-line basis over their expected remaining useful life. Acquisitions from January 1, 1986 are amortized on a straight-line basis, generally using the following rates:

Buildings - brick	50 years
Buildings - other	25 years
Substation equipment	30 years
Overhead distribution	25 years
Underground distribution	25 years
Transformers	25 years
Meters	25 years
Office equipment	10 years
Computer equipment	5 years
Rolling stock	
Automobiles	4 years
Trucks under 3 tons	5 years
Trucks over 3 tons	8 years
Miscellaneous equipment	10 years
Radio equipment	10 years
Water heater equipment	8 years
Store department equipment	10 years
Systems supervisory equipment	15 years

HAMILTON HYDRO-ELECTRIC SYSTEM

NOTES TO THE FINANCIAL STATEMENTS (in thousands of dollars)

DECEMBER 31, 1996

1. ACCOUNTING POLICIES (continued)

Acquisitions from January 1, 1980 to December 31, 1985 are amortized on a straight-line basis, using January 1, 1986 rates except for:

Substation equipment	35 years
Underground distribution	40 years
Transformers	30 years
Meters	35 years

2. PLANT AND EQUIPMENT

	Cost	Accumulated Amortization	1996 Net Book Value	1995 Net Book Value
Plant				
Land	\$ 861	\$ -	\$ 861	\$ 861
Buildings	12,609	6,126	6,483	5,574
Substation equipment	7,103	3,775	3,328	3,592
Overhead distribution	22,272	5,403	16,869	15,247
Underground distribution	100,712	33,726	66,986	65,107
Transformers	30,813	13,110	17,703	17,292
Meters	13,971	5,708	8,263	7,680
	188,341	67,848	120,493	115,353
Equipment				
Office equipment	1,257	862	395	393
Computer equipment	1,812	1,193	619	227
Rolling stock	5,848	4,139	1,709	1,663
Miscellaneous and radio equipment	2,309	1,364	945	845
Water heater equipment	720	518	202	330
Stores department equipment	172	130	42	43
Systems supervisory equipment	2,120	649	1,471	1,449
	<u>\$ 202,579</u>	<u>\$ 76,703</u>	<u>\$ 125,876</u>	<u>\$ 120,303</u>

HAMILTON HYDRO-ELECTRIC SYSTEM

NOTES TO THE FINANCIAL STATEMENTS (in thousands of dollars)

DECEMBER 31, 1996

	1996	1995
3. CASH		
Petty cash and change funds	\$ 8	\$ 8
Cash in transit and on deposit at		
The Canadian Imperial Bank of Commerce	337	459
Investments		
The Canadian Imperial Bank of Commerce	<u>56,422</u>	<u>51,425</u>
	<u>\$ 56,767</u>	<u>\$ 51,892</u>
4. ACCOUNTS RECEIVABLE		
Electrical energy	\$ 30,253	\$ 30,779
Miscellaneous	<u>2,197</u>	<u>1,577</u>
	32,450	32,356
Allowance for doubtful accounts	<u>489</u>	<u>459</u>
	<u>\$ 31,961</u>	<u>\$ 31,897</u>
5. INVENTORIES		
Materials	\$ 5,084	\$ 6,102
Postage	<u>7</u>	<u>14</u>
	<u>\$ 5,091</u>	<u>\$ 6,116</u>
6. OTHER CURRENT ASSETS		
Unbilled revenue	\$ 12,924	\$ 13,740
Prepaid insurance	175	232
Prepaid membership	95	58
Accrued interest income	147	262
Work chargeable in progress	511	433
Deposit with The Workers' Compensation Board	<u>36</u>	<u>36</u>
	<u>\$ 13,888</u>	<u>\$ 14,761</u>

HAMILTON HYDRO-ELECTRIC SYSTEM

NOTES TO THE FINANCIAL STATEMENTS (in thousands of dollars)

DECEMBER 31, 1996

7. SERVICE REVENUE

	1996	1995
Domestic	\$ 81,512	\$ 84,124
Commercial	66,152	65,994
Industrial	220,313	217,709
Street lighting	1,386	1,342
	<u>\$ 369,363</u>	<u>\$ 369,169</u>

8. SERVICE REVENUE ADJUSTMENT

The method used to estimate unbilled service revenue is calculated by pro-rating the actual consumption for the period over the unbilled days.

	1996	1995
Unbilled revenue - Beginning of the year	\$ 13,740	\$ 13,181
Increase (decrease) in unbilled revenue current year	<u>(816)</u>	<u>559</u>
Unbilled revenue - End of year	<u>\$ 12,924</u>	<u>\$ 13,740</u>

9. OTHER OPERATING REVENUE

	1996	1995
Water heater rentals	\$ 480	\$ 522
Penalty charges	1,348	1,351
Pole rentals	273	242
Profit on sale of material and/or services	1	1
Interest earned	2,333	3,233
Building and other rental	44	44
Gain (loss) on disposal of capital assets	(60)	180
Reconnection and collection charges	80	71
Sale of scrap material	173	204
Miscellaneous	195	186
	<u>\$ 4,867</u>	<u>\$ 6,034</u>

HAMILTON HYDRO-ELECTRIC SYSTEM

NOTES TO THE FINANCIAL STATEMENTS (in thousands of dollars)

DECEMBER 31, 1996

10. OBLIGATION UNDER CAPITAL LEASE

The system has the following future minimum lease payments under capital leases expiring in 1999:

1997	\$	172
1998		172
1999		<u>237</u>
Total minimum lease payments		581
Less amount representing interest at rates of 5.9% and 8.25%		<u>57</u>
		524
Less current portion		<u>148</u>
	\$	<u>376</u>

11. UTILITY EQUITY

	1996	1995
Accumulated net income	\$ 187,883	\$ 180,166
Capital contributions	<u>6,689</u>	<u>6,542</u>
	<u>\$ 194,572</u>	<u>\$ 186,708</u>

MUNICIPAL
NON-PROFIT (HAMILTON)
HOUSING CORPORATION

ANNUAL REPORT

To the Directors of Municipal
Non-Profit Housing (Housing Corporation)
Members of Council, Residents
and Members of The Corporation of
The City of Hamilton

**FINANCIAL
STATEMENTS**

December 31, 1996

MacGillivray Partners

Chartered Accountants

Standard Life Centre, Suite 650
120 King Street West
Hamilton, Ontario L8P 4V2
Telephone: (905) 523-7732
Facsimile: (905) 572-9333

AUDITORS' REPORT

To the Directors of Municipal
Non-Profit (Hamilton) Housing Corporation,
Members of Council, Inhabitants
and Ratepayers of The Corporation of
the City of Hamilton

We have audited the balance sheet of the **Municipal Non-Profit (Hamilton) Housing Corporation** as at December 31, 1996 and the statement of operations - shelter and the reserves and reserve fund statement of continuity for the year then ended. These financial statements are the responsibility of the Corporation's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with generally accepted auditing standards. Those standards require that we plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these financial statements present fairly, in all material respects, the financial position of the Corporation as at December 31, 1996 and the results of its operations for the year then ended in accordance with the accounting principles disclosed in note 1 to the financial statements.

Hamilton, Canada
March 21, 1997

MacGillivray Partners

CHARTERED ACCOUNTANTS

Municipal Non-Profit (Hamilton) Housing Corporation

BALANCE SHEET December 31, 1996

	1996 \$	1995 \$
ASSETS		
Current		
Cash	159,736	206,161
Accounts receivable	421,353	488,814
Rents receivable (note 2)	89,407	69,566
Mortgages receivable	—	743,259
Prepaid expenses	449,713	456,185
Due from City of Hamilton	1,118,143	762,074
Due from Hamilton Housing Company Limited (note 3)	13,006	—
	<u>2,251,358</u>	<u>2,726,059</u>
Capital		
Land	11,247,964	10,421,840
Buildings	49,586,792	45,268,357
Equipment	655,481	578,551
	<u>61,490,237</u>	<u>56,268,748</u>
Less — accumulated amortization	<u>1,560,599</u>	<u>1,056,194</u>
	59,929,638	55,212,554
Escrow Funds (note 9)	543,849	464,293
Housing projects in progress	—	4,763,554
	<u>60,473,487</u>	<u>60,440,401</u>
	<u>62,724,845</u>	<u>63,166,460</u>
LIABILITIES, RESERVE AND RESERVE FUND BALANCES		
Current		
Accounts payable	209,876	491,218
Holdbacks payable	—	337,491
Tenants' guarantee deposits	119,818	110,708
Accrued interest payable	360,024	387,379
Due to Hamilton Housing Company Limited (note 3)	—	9,415
Government contribution payable (note 8)	986,312	796,263
	<u>1,676,030</u>	<u>2,132,474</u>
Loans payable		
Mortgage advances for Housing projects in progress	—	4,929,072
	<u>60,412,307</u>	<u>55,634,460</u>
Mortgages Payable (note 4)		
	<u>60,412,307</u>	<u>55,634,460</u>
RESERVES AND RESERVE FUND BALANCES		
Capital reserve fund (note 5)	378,333	338,417
Rent stabilization reserve (note 6)	44,756	42,602
Interest equity on escrow funds (note 9)	61,183	42,388
Reserve for operations (note 8)	152,236	47,047
	<u>636,508</u>	<u>470,454</u>
	<u>62,724,845</u>	<u>63,166,460</u>

See accompanying notes to the financial statements

Municipal Non-Profit (Hamilton) Housing Corporation

STATEMENT OF OPERATIONS – SHELTER for the year ended December 31, 1996

	1996 \$	1995 \$
REVENUE		
Rental revenue	3,732,667	3,499,708
Government operating subsidies	5,510,397	5,324,194
Laundry and other revenue	37,022	39,638
	<u>9,280,086</u>	<u>8,863,540</u>
EXPENSES		
Superintendent costs	255,026	255,793
Maintenance, materials and services		
Building – general maintenance	277,004	297,526
Grounds	114,713	120,843
Painting	68,999	54,284
	<u>460,716</u>	<u>472,653</u>
Utilities		
Electricity	112,954	102,059
Water	125,100	123,178
Fuel	115,355	76,386
	<u>353,409</u>	<u>301,623</u>
Property		
Insurance	47,742	43,186
Municipal taxes	1,481,779	1,396,698
Amortization of building		
– mortgage principal repayment	504,407	370,160
Mortgage interest	4,507,607	4,691,136
Legal fees	4,541	2,556
Bad debts	44,522	35,241
Goods and Services Tax (property managers–net)	20,683	19,423
Other (Registry and ONPHA fees)	24,341	10,677
	<u>6,635,622</u>	<u>6,569,077</u>
Administration	488,182	439,876
Audit Fees	17,854	15,465
	<u>506,036</u>	<u>455,341</u>
Transfer to Capital Reserve Fund	82,965	88,557
	<u>8,293,774</u>	<u>8,143,044</u>
Excess of revenue from operations (note 8)	<u>986,312</u>	<u>720,496</u>

See accompanying notes to the financial statements

Municipal Non-Profit (Hamilton) Housing Corporation

RESERVES AND RESERVE FUND STATEMENT OF CONTINUITY for the year ended December 31, 1996

	1996 \$	1995 \$
CAPITAL RESERVE FUND (note 5)		
BALANCE – Beginning of year	338,417	304,086
Provision	82,965	88,557
Interest revenue	21,305	28,467
Expenditure	(64,354)	(82,693)
BALANCE – End of year	<u>378,333</u>	<u>338,417</u>
RENT STABILIZATION RESERVE (note 6)		
BALANCE – Beginning of year	42,602	39,722
Provision	–	–
Interest revenue	2,154	2,880
Expenditure	–	–
BALANCE – End of year	<u>44,756</u>	<u>42,602</u>
RESERVE FOR OPERATIONS (note 8)		
BALANCE – Beginning of year	47,047	–
Adjustment arising from Ministry of Housing review	97,862	47,047
Interest revenue	7,327	–
BALANCE – End of year	<u>152,236</u>	<u>47,047</u>

See accompanying notes to the financial statements

Municipal Non-Profit (Hamilton) Housing Corporation

NOTES TO THE FINANCIAL STATEMENTS December 31, 1996

1. SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the Corporation are the representation of management prepared in accordance with accounting policies acceptable for non-profit housing corporations. Since precise determination of many assets and liabilities is dependent upon future events, the preparation of periodic financial statements necessarily involves the use of estimates and approximations. These have been made using careful judgments.

(a) Basis of Accounting

Revenue and expenses are recorded on the accrual basis of accounting.

The accrual basis of accounting recognizes revenues as they become available and measurable; expenses are recognized as they are incurred and measurable as a result of receipt of goods or services and the creation of a legal obligation to pay.

(b) Capital Assets and Amortization

Capital assets are recorded at original cost. Amortization is charged at an amount equal to the mortgage principal reduction. Replacement of equipment and major repairs are not capitalized but charged to a reserve fund in the year of acquisition.

(c) Rents Receivable

The rents receivable do not contain an allowance for doubtful accounts.

2. RENTS RECEIVABLE

Included in the rents receivable are amounts totalling \$46,838 (1995 - \$42,986) which are outstanding greater than 90 days.

3. DUE TO/FROM THE HAMILTON HOUSING COMPANY LIMITED

The December 31, 1996 net receivable position is a result of a joint bank account used for both Municipal Non-Profit (Hamilton) Housing and Hamilton Housing companies. The revenues and expenditures are tracked separately.

Municipal Non-Profit (Hamilton) Housing Corporation

NOTES TO THE FINANCIAL STATEMENTS December 31, 1996

4. MORTGAGES PAYABLE

	1996 \$	1995 \$
Mortgage payable to the Canada Mortgage and Housing Corporation for 772 Upper Paradise, bearing interest at 7.22%, repayable in blended monthly instalments of \$16,953, maturing September 1, 2001	2,362,607	2,387,383
Mortgage payable to the Toronto Dominion Bank for 580 Limeridge Road East, bearing interest at 7.89%, repayable in blended monthly instalments of \$27,927, maturing December 1, 1997	3,743,353	3,782,290
Mortgage payable to the Bank of Nova Scotia for 470 StoneChurch Road East, bearing interest at 8.65%, repayable in blended monthly instalments of \$33,180, maturing January 1, 2003	4,172,128	4,213,885
Mortgage payable to the Canada Mortgage and Housing Corporation for 75 Wentworth and Ashley/Century, bearing interest at 6.99%, repayable in blended monthly instalments of \$24,920, maturing December 1, 1998	3,790,928	3,827,326
Mortgage payable to the Canada Mortgage and Housing Corporation for 1150 Limeridge Road East, bearing interest at 9.2%, repayable in blended monthly instalments of \$39,439, maturing March 1, 2000	4,822,012	4,858,058
Mortgage payable to the CIBC Mortgage Corporation for 1781 King Street East, bearing interest at 9.1%, repayable in blended monthly instalments of \$11,588, maturing January 1, 1997	1,450,041	1,459,161
Mortgage payable to Canada Life Mortgage Services Ltd. for 67 Ossington Drive, bearing interest at 10.97%, repayable in blended monthly instalments of \$20,819, maturing January 1, 2002	2,235,959	2,245,424
Mortgage payable to Firstline Trust for 1081 Rymal Road, bearing interest at 8.9%, repayable in blended monthly instalments of \$21,378, maturing June 1, 1997	2,729,507	2,746,703
Mortgage payable to the Bank of Nova Scotia for 10 Brock Street, bearing interest at 8.58%, repayable in blended monthly instalments of \$9,446, maturing May 1, 1999	1,256,723	1,263,844
Mortgage payable to the Toronto Dominion Bank for 25 Towercrest Drive, bearing interest at 9.47%, repayable in blended monthly instalments of \$64,092, maturing June 1, 1999	7,875,092	7,907,170
Carried forward	34,438,350	34,691,244

Municipal Non-Profit (Hamilton) Housing Corporation

NOTES TO THE FINANCIAL STATEMENTS December 31, 1996

4. MORTGAGES PAYABLE – (continued)

	1996 \$	1995 \$
Carried forward	34,438,350	34,691,244
Mortgage payable to the Canada Mortgage and Housing Corporation for 1285 Upper Gage, bearing interest at 9.06%, repayable in blended monthly instalments of \$11,900, maturing August 1, 1999	1,486,916	1,496,918
Mortgage payable to the CIBC Mortgage Corporation for 430 Cumberland, bearing interest at 4.34%, repayable in blended monthly instalments of \$74,885, maturing October 1, 1999	15,789,945	15,962,939
Mortgage payable to the Canada Mortgage and Housing Corporation for 101 Broadway Avenue, bearing interest at 9.2%, repayable in blended monthly instalments of \$27,743, maturing March 1, 2000	3,464,237	3,483,359
Mortgage payable to the Toronto Dominion Bank for 1100 Limeridge Avenue East, bearing interest at 3.29%, repayable in blended monthly instalments of \$21,202, maturing January 1, 1997	5,232,859	—
	<u>60,412,307</u>	<u>55,634,460</u>

The mortgages payable are secured by way of a first mortgage on the land and premises, the general assignment of rents and leases, and a chattel mortgage.

Approximate principal repayments are as follows:

1997	6,928,760
1998	4,193,555
1999	26,253,407
2000	8,291,887
2001 and subsequent	<u>14,744,698</u>
	<u>60,412,307</u>

5. CAPITAL RESERVE FUND

The provision for the capital reserve fund as well as the use and disposition of the reserve fund requires approval from the Ministry of Housing. Cash and securities in the amount funded are held by the City of Hamilton and are included on the Balance Sheet netted against "Due from the City of Hamilton".

6. RENT STABILIZATION RESERVE

The amount of revenue set aside for this reserve is based on market unit operational surpluses and requires approval by the Ministry of Housing. This reserve may be used to stabilize rent increases or fund shortfalls in revenue.

Municipal Non-Profit (Hamilton) Housing Corporation

NOTES TO THE FINANCIAL STATEMENTS December 31, 1996

7. INTEREST ADJUSTMENT DATE

The statement of operations covers the period from the interest adjustment date or January 1, 1996, whichever is later, to December 31, 1996. All operating costs incurred on the project to the interest adjustment date less all revenues received to that date are capitalized as capital assets. The following interest adjustment dates, determined by the Ministry of Housing, represent mortgage commencement dates:

772 Upper Paradise Road	July 1, 1986
580 Limeridge Road East	December 1, 1987
470 Stone Church Road East	January 1, 1988
1150 Limeridge Road East	January 1, 1990
75 Wentworth Street North	January 1, 1992
1781 King Street East	January 1, 1992
67 Ossington Drive	January 1, 1992
1081 Rymal Road	June 1, 1992
10 Brock Street	May 1, 1994
25 Towercrest Drive	June 1, 1994
1285 Upper Gage	August 1, 1994
430 Cumberland Avenue	October 1, 1994
101 Broadway Avenue	January 1, 1995
1100 Limeridge Avenue	February 1, 1996

8. GOVERNMENT CONTRIBUTION PAYABLE

The government contribution payable contains the excess of revenue from operations before Ministry of Housing review of expenses, revenue and operating subsidies. This review process is known as "reconciliation", after which the net payable/receivable is determined. Any differences result in a surplus or deficit which is credited or charged to the Reserve for Operations.

9. ESCROW FUNDS

The mortgage monies advanced exceed the total final capital costs for the following projects:

	Escrow Amount \$	Accrued Interest \$	Total Escrow Amount \$	Mortgage Maturity
1781 King Street East	703	179	882	Jan. 1, 1997
1081 Rymal Road	142,290	29,217	171,507	June 1, 1997
10 Brock Street	559	97	656	May 1, 1999
25 Towercrest Drive	255,072	25,923	280,995	June 1, 1999
1285 Upper Gage	2,272	288	2,560	Aug. 1, 1999
430 Cumberland Avenue	2,122	269	2,391	Oct. 1, 1999
101 Broadway Avenue	18,887	2,393	21,280	Jan. 1, 2000
1100 Limeridge Avenue	60,761	2,817	63,578	Feb. 1, 1997
	<u>482,666</u>	<u>61,183</u>	<u>543,849</u>	

The Ministry of Housing has instructed the Corporation to return the escrow funds to the lenders except for 1781 King Street East. The funds have been deposited in escrow accounts held by the lenders. The total escrow amounts will reduce their respective mortgages at maturity.

Municipal Non-Profit (Hamilton) Housing Corporation

NOTES TO THE FINANCIAL STATEMENTS December 31, 1996

10. INCORPORATION

The Corporation was incorporated under Letters Patent dated March 13, 1985 as a corporation without share capital. On January 28, 1994 Supplementary Letters Patent were issued.

MacGillivray
Partners

Chartered Accountants

ANNUAL REPORT

BARTON GENERAL BUSINESS IMPROVEMENT AREA

To the Shareholders of
Barton General Business Improvement Area
Annual Meeting of 1997
and Members of the Committee of
Shareholders

We have audited the financial statements of Barton General Business Improvement Area for the year ended 31 December 1996 and our statement of opinion is set out on page 90 of this report. Our responsibility is to express an opinion on these financial statements in accordance with the provisions of the Companies Act 1985.

These financial statements were prepared by the directors of Barton General Business Improvement Area and are subject to the audit of the auditors.

The financial statements of Barton General Business Improvement Area for the year ended 31 December 1996 are set out on pages 91 to 95 of this report.

The financial statements of Barton General Business Improvement Area for the year ended 31 December 1996 are set out on pages 91 to 95 of this report.

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MacGillivray Partners
Chartered Accountants

Bill Murray
Chairman

MacGillivray Partners

Chartered Accountants

Standard Life Centre, Suite 650
120 King Street West
Hamilton, Ontario L8P 4V2
Telephone: (905) 523-7732
Facsimile: (905) 572-9333

AUDITORS' REPORT

To the Board of Management of the
Barton General Business Improvement
Area, Members of Council, Inhabitants
and Ratepayers of The Corporation of
the City of Hamilton

We have audited the balance sheet of the **Barton General Business Improvement Area** as at December 31, 1996 and the statement of revenue and expense and members' equity for the year then ended. These financial statements are the responsibility of the organization's management. Our responsibility is to express an opinion on these financial statements based on our audit.

Except as explained in the following paragraph, we conducted our audit in accordance with generally accepted auditing standards. Those standards require that we plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In common with many not-for-profit organizations, the organization derives revenue from donations and other income, the completeness of which is not susceptible to satisfactory audit verification. Accordingly, our verification of these revenues was limited to the amounts recorded in the records of the organization and we were not able to determine whether any adjustments might be necessary to these revenues, excess of revenue (expense) for the year, assets and members' equity.

In our opinion, except for the effect of adjustments, if any, which we might have determined to be necessary had we been able to satisfy ourselves concerning the completeness of the revenue referred to in the preceding paragraph, these financial statements present fairly, in all material respects, the financial position of the organization as at December 31, 1996 and the results of its operations for the year then ended in accordance with generally accepted accounting principles.

Hamilton, Canada
June 16, 1997

MacGillivray Partners
CHARTERED ACCOUNTANTS

Barton General Business Improvement Area

BALANCE SHEET December 31, 1996

	1996 \$	1995 \$
ASSETS		
Current		
Cash	7,091	5,173
Term deposit	—	5,003
Levies receivable	1,130	1,352
Accounts receivable	900	800
Prepaid expense	564	564
	<u>9,685</u>	<u>12,892</u>
LIABILITIES AND MEMBERS' EQUITY		
Current		
Accounts payable and accrued liabilities	7,401	4,499
Accounts payable — City of Hamilton	1,009	765
	<u>8,410</u>	<u>5,264</u>
MEMBERS' EQUITY	<u>1,275</u>	<u>7,628</u>
	<u>9,685</u>	<u>12,892</u>

See accompanying notes to the financial statements

Barton General Business Improvement Area

STATEMENT OF REVENUE AND EXPENSE AND MEMBERS' EQUITY for the year ended December 31, 1996

	1996	1995
	\$	\$
REVENUE		
Assessment levy	5,080	5,548
Interest	162	230
Other income	310	713
Christmas grant	623	—
	<u>6,175</u>	<u>6,491</u>
EXPENSE		
Christmas	1,241	—
Office	706	1,430
Rent	2,042	—
Audit	310	310
Meetings	827	671
Bank charges	71	91
Co-ordination	4,159	—
Insurance	810	246
Bad debts	(450)	100
Barton Street revitalization (note 2)	1,264	536
Sign project	1,548	325
	<u>12,528</u>	<u>3,709</u>
EXCESS OF REVENUE (EXPENSE) FOR THE YEAR	(6,353)	2,782
MEMBERS' EQUITY – Beginning of year	7,628	4,846
MEMBERS' EQUITY – End of year	<u>1,275</u>	<u>7,628</u>

See accompanying notes to the financial statements

Barton General Business Improvement Area

NOTES TO THE FINANCIAL STATEMENTS December 31, 1996

1. SIGNIFICANT ACCOUNTING POLICIES

(a) Basis of Accounting

Revenue and expense are recorded on the accrual basis. The accrual basis of accounting recognizes revenues as they become available and measurable; expenses are recognized as they are incurred and measurable as a result of receipt of goods or services and the creation of a legal obligation to pay.

(b) Capital Assets

The historical cost and accumulated amortization of capital assets are not recorded. Capital assets are reported as expenses in the year of acquisition.

(c) Donations

The organization does not record the value of donated materials and services.

2. BARTON STREET REVITALIZATION

	Revenue \$	Expenses \$	1996 Net \$
Mural project	20,000	20,765	765
Street festivals	6,718	6,718	—
Christmas decorations	8,488	8,987	499
	<u>35,206</u>	<u>36,470</u>	<u>1,264</u>

AUDITOR'S REPORT

CONCESSION STREET
BUSINESS IMPROVEMENT AREA

To the Board of Directors
Concession Street Business Improvement
Area, Members of Council, Wardens
and Aldermen of The Corporation of
The City of Hamilton

We have audited the financial statements of the Concession Street Business Improvement Area for the year ended December 31, 1996 and the schedule of assets and liabilities and fund balances for the year then ended. These financial statements are the responsibility of the management. Our responsibility is to express an opinion on these financial statements based on our audit.

Except for adjustments in the following areas, the financial statements are presented with generally accepted auditing standards. The adjustments are: (1) The schedule of assets and liabilities and fund balances for the year ended December 31, 1996, as shown on a full basis, is not in accordance with the schedule of assets and liabilities and fund balances for the year ended December 31, 1996, as shown on a full basis, as required by the Corporation of The City of Hamilton, as well as the Corporation of The City of Hamilton.

In addition, we have noted that the financial statements do not include certain assets and liabilities and fund balances, which are not included in the schedule of assets and liabilities and fund balances for the year ended December 31, 1996, as shown on a full basis, as required by the Corporation of The City of Hamilton, as well as the Corporation of The City of Hamilton.

In our opinion, except for the effects of adjustments, if any, which we might have determined to be necessary had we been able to obtain sufficient evidence to substantiate the amounts reflected in the preceding paragraph, these financial statements present fairly, in all material respects, the financial position of the Corporation of The City of Hamilton at December 31, 1996, and the results of its operations for the year then ended in accordance with generally accepted accounting principles.

MacGillivray Partners

Chartered Accountants

Standard Life Centre, Suite 650
120 King Street West
Hamilton, Ontario L8P 4V2
Telephone: (905) 523-7732
Facsimile: (905) 572-9333

AUDITORS' REPORT

To the Board of Management of the
Concession Street Business Improvement
Area, Members of Council, Inhabitants
and Ratepayers of The Corporation of
the City of Hamilton

We have audited the balance sheet of the **Concession Street Business Improvement Area** as at December 31, 1996 and the statement of revenue and expense and members' equity for the year then ended. These financial statements are the responsibility of the organization's management. Our responsibility is to express an opinion on these financial statements based on our audit.

Except as explained in the following paragraph, we conducted our audit in accordance with generally accepted auditing standards. Those standards require that we plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In common with many not-for-profit organizations, the organization derives revenue from fund-raising activities and other sources, the completeness of which is not susceptible to satisfactory audit verification. Accordingly, our verification of these revenues was limited to the amounts recorded in the records of the organization and we were not able to determine whether any adjustments might be necessary to other revenue, excess of revenue (expense) for the year, assets and members' equity.

In our opinion, except for the effects of adjustments, if any, which we might have determined to be necessary had we been able to satisfy ourselves concerning the completeness of the revenue referred to in the preceding paragraph, these financial statements present fairly, in all material respects, the financial position of the organization as at December 31, 1996 and the results of its operations for the year then ended in accordance with generally accepted accounting principles.

Hamilton, Canada
June 23, 1997

MacGillivray Partners

CHARTERED ACCOUNTANTS

Concession Street Business Improvement Area

BALANCE SHEET December 31, 1996

	1996 \$	1995 \$
ASSETS		
Current		
Cash	6,131	2,926
Levies receivable	3,439	2,656
Accounts receivable	250	1,000
Prepaid expense	69	168
Inventory	2,215	2,844
	<u>12,104</u>	<u>9,594</u>
LIABILITIES AND MEMBERS' EQUITY		
Current		
Accounts payable and accrued liabilities	1,566	1,174
Accounts payable – City of Hamilton	3,415	1,729
	<u>4,981</u>	<u>2,903</u>
MEMBERS' EQUITY	<u>7,123</u>	<u>6,691</u>
	<u>12,104</u>	<u>9,594</u>

See accompanying note to the financial statements

Concession Street Business Improvement Area

**STATEMENT OF REVENUE AND EXPENSE
AND MEMBERS' EQUITY
for the year ended December 31, 1996**

	1996 \$	1995 \$
REVENUE		
Assessment levy	8,373	8,016
Government grants	1,000	1,000
Other income	1,097	522
	<u>10,470</u>	<u>9,538</u>
EXPENSE		
Promotion	5,749	4,854
Christmas decorations	2,626	3,279
S.E.E.D. Program project	—	15
Office supplies	272	173
Audit fees	310	315
Insurance	787	540
Bank charges	23	20
Miscellaneous	742	472
Cost of books sold	629	554
Bad debts (recovered)	(1,100)	1,300
	<u>10,038</u>	<u>11,522</u>
EXCESS OF REVENUE (EXPENSE) FOR THE YEAR	432	(1,984)
MEMBERS' EQUITY – Beginning of year	6,691	8,675
MEMBERS' EQUITY – End of year	<u>7,123</u>	<u>6,691</u>

See accompanying note to the financial statements

Concession Street Business Improvement Area

NOTE TO THE FINANCIAL STATEMENTS December 31, 1996

1. SIGNIFICANT ACCOUNTING POLICIES

(a) Basis of Accounting

Revenue and expense are recorded on the accrual basis. The accrual basis of accounting recognizes revenues as they become available and measurable; expenses are recognized as they are incurred and measurable as a result of receipt of goods or services and the creation of a legal obligation to pay.

(b) Capital Assets

The historical cost and accumulated amortization of capital assets are not recorded. Capital assets are reported as expenses in the year of acquisition.

(c) Inventory

The inventory of books is valued at the lower of cost and net realizable value.

DOWNTOWN HAMILTON BUSINESS IMPROVEMENT AREA

Annual Report 1996/97

This report is a statement of the
Downtown Hamilton Business Improvement
Area. It is prepared by the
Downtown Hamilton Business Improvement
Area and is not a financial statement.

FINANCIAL STATEMENTS

December 31, 1996

As at December 31, 1996, the Downtown Hamilton Business Improvement Area has a net worth of \$1,000,000.00. The net worth is composed of the following:

HAMILTON, ONTARIO
MAY 15, 1997

MacGillivray Partners
Chartered Accountants

MacGillivray Partners

Chartered Accountants

Standard Life Centre, Suite 650
120 King Street West
Hamilton, Ontario L8P 4V2
Telephone: (905) 523-7732
Facsimile: (905) 572-9333

AUDITORS' REPORT

To the Board of Management of the
Downtown Hamilton Business Improvement
Area, Members of Council, Inhabitants
and Ratepayers of The Corporation of
the City of Hamilton

We have audited the balance sheet of the **Downtown Hamilton Business Improvement Area** as at December 31, 1996 and the statement of revenue and expense and members' equity for the year then ended. These financial statements are the responsibility of the organization's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with generally accepted auditing standards. Those standards require that we plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these financial statements present fairly, in all material respects, the financial position of the organization as at December 31, 1996 and the results of its operations for the year then ended in accordance with generally accepted accounting principles.

Hamilton, Canada
May 28, 1997

MacGillivray Partners
CHARTERED ACCOUNTANTS

Downtown Hamilton Business Improvement Area

BALANCE SHEET December 31, 1996

	1996 \$	1995 \$
ASSETS		
Current		
Cash	17,638	33,692
Short-term deposits	68,507	65,988
Accounts receivable	1,402	1,304
Grants receivable	15,000	—
Assessment levy receivable	18,022	37,894
Accrued interest	65	148
Prepaid expenses	392	326
	<u>121,026</u>	<u>139,352</u>
LIABILITIES AND MEMBERS' EQUITY		
Current		
Accounts payable and accrued liabilities	46,963	7,867
Accounts payable — City of Hamilton	15,149	15,084
	<u>62,112</u>	<u>22,951</u>
MEMBERS' EQUITY	<u>58,914</u>	<u>116,401</u>
	<u>121,026</u>	<u>139,352</u>

See accompanying notes to the financial statements

Downtown Hamilton Business Improvement Area

STATEMENT OF REVENUE AND EXPENSE AND MEMBERS' EQUITY for the year ended December 31, 1996

	1996 \$	1995 \$
REVENUE		
Assessment levy	70,999	72,690
Grant – Department of Canadian Heritage	15,000	–
Grey Cup contributions	7,000	–
Interest	2,435	3,616
Other	1,903	1,287
	<u>97,337</u>	<u>77,593</u>
EXPENSE		
Management fees	34,956	33,513
Administration	17,873	19,675
Donations (note 2)	20,000	–
Promotion	3,020	4,220
Bad debts (recovery)	12,400	(10,000)
Legal settlement (note 3)	32,500	–
Miscellaneous	2,837	870
Project costs (note 4)	29,098	21,334
Legal fees	2,140	1,308
	<u>154,824</u>	<u>70,920</u>
EXCESS OF REVENUE (EXPENSE) FOR THE YEAR	(57,487)	6,673
MEMBERS' EQUITY – Beginning of year	116,401	109,728
MEMBERS' EQUITY – End of year	<u>58,914</u>	<u>116,401</u>

See accompanying notes to the financial statements

Downtown Hamilton Business Improvement Area

NOTES TO THE FINANCIAL STATEMENTS December 31, 1996

1. SIGNIFICANT ACCOUNTING POLICIES

(a) Basis of Accounting

Revenue and expense are recorded on the accrual basis. The accrual basis of accounting recognizes revenues as they become available and measurable; expenses are recognized as they are incurred and measurable as a result of receipt of goods or services and the creation of a legal obligation to pay.

(b) Capital Assets

The historical cost and accumulated amortization of capital assets are not recorded. Capital assets are reported as expenses in the year of acquisition.

(c) Donations

The organization does not record the value of donated materials and services made to it.

2. DONATIONS

The Business Improvement Area made a \$20,000 donation to the Gore Park Fountain Foundation in 1996.

3. LEGAL SETTLEMENT

The Business Improvement Area settled a lawsuit brought against it at a cost of \$32,500.

4. PROJECT COSTS

Under project costs, the following expenses were incurred:

	\$
Taste of Hamilton – consultant fees	3,453
Big Time Productions (for expenses associated with Grey Cup '96, Music in the City and Christmas Entertainment)	16,000
City of Hamilton – Grey Cup '96	7,000
Regal Tent Rental – Grey Cup '96	2,645
	<u>29,098</u>

INTERNATIONAL VILLAGE BUSINESS IMPROVEMENT AREA

To the Board of the
International Village Business Improvement
Area, Members of Council, Residents
and Proprietors of the Corporation of
the City of Toronto

We have audited the financial statements of the International Village Business Improvement Area as at December 31, 1996 and the statement of income and expenses and statement of assets and liabilities for the year then ended. These financial statements are the responsibility of the management of the International Village Business Improvement Area. Our audit was conducted in accordance with the standards of the Chartered Accountants of Canada.

Management is responsible for the preparation of the financial statements in accordance with generally accepted accounting principles. The management has also provided us with a statement of management's responsibilities. We have conducted our audit in accordance with the standards of the Chartered Accountants of Canada. We have obtained all the information and documents we considered necessary for the audit.

FINANCIAL STATEMENTS

December 31, 1996

Our audit was conducted in accordance with the standards of the Chartered Accountants of Canada. We have obtained all the information and documents we considered necessary for the audit. We have conducted our audit in accordance with the standards of the Chartered Accountants of Canada. We have obtained all the information and documents we considered necessary for the audit.

In our opinion, the financial statements are presented fairly, in all material aspects, in accordance with the standards of the Chartered Accountants of Canada. We have conducted our audit in accordance with the standards of the Chartered Accountants of Canada. We have obtained all the information and documents we considered necessary for the audit.

MacGillivray Partners

Chartered Accountants

Standard Life Centre, Suite 650
120 King Street West
Hamilton, Ontario L8P 4V2
Telephone: (905) 523-7732
Facsimile: (905) 572-9333

AUDITORS' REPORT

To the Board of Management of the
International Village Business Improvement
Area, Members of Council, Inhabitants
and Ratepayers of The Corporation of
the City of Hamilton

We have audited the balance sheet of the **International Village Business Improvement Area** as at December 31, 1996 and the statement of revenue and expense and members' equity for the year then ended. These financial statements are the responsibility of the organization's management. Our responsibility is to express an opinion on these financial statements based on our audit.

Except as explained in the following paragraphs, we conducted our audit in accordance with generally accepted auditing standards. Those standards require that we plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

As explained in note 2, these financial statements do not include the assets, liabilities, revenues or expenses related to the Coalition of Property Owners' program, except to the extent of transfers of funds between bank accounts of the organization and that relating to the Coalition. Accordingly, we are unable to determine the extent to which revenues, expenses, assets, liabilities and members' equity may be misstated.

In common with many not-for-profit organizations, the organization receives other revenue, the completeness of which is not susceptible to satisfactory audit verification. Accordingly, our verification of this revenue was limited to the amounts recorded in the records of the organization and we were not able to determine whether any adjustments might be necessary to this revenue, excess of revenue for the year, assets and members' equity.

In our opinion, except for the effects of adjustments, if any, which we might have determined to be necessary had we been able to satisfy ourselves concerning the operations of the Coalition of Property Owners program and the completeness of the other revenue referred to in the preceding paragraphs, these financial statements present fairly, in all material respects, the financial position of the organization as at December 31, 1996 and the results of its operations for the year then ended in accordance with generally accepted accounting principles.

Hamilton, Canada
April 29, 1997

MacGillivray Partners
CHARTERED ACCOUNTANTS

International Village Business Improvement Area

BALANCE SHEET December 31, 1996

	1996 \$	1995 \$
ASSETS		
Current		
Assessment levies receivable	16,789	9,395
Accounts receivable	241	214
Accounts receivable – Coalition of Property Owners	3,005	–
	<u>20,035</u>	<u>9,609</u>
LIABILITIES AND MEMBERS' EQUITY		
Current		
Bank overdraft	319	5,343
Accounts payable and accrued liabilities	6,097	6,033
Accounts payable – City of Hamilton	12,618	13,901
	<u>19,034</u>	<u>25,277</u>
MEMBERS' EQUITY (DEFICIT)	<u>1,001</u>	<u>(15,668)</u>
	<u>20,035</u>	<u>9,609</u>

See accompanying notes to the financial statements

International Village Business Improvement Area

**STATEMENT OF REVENUE AND EXPENSE
AND MEMBERS' EQUITY**
for the year ended December 31, 1996

	1996 \$	1995 \$
REVENUE		
Assessment levy	51,519	30,576
Grant	241	214
Recoveries – Coalition of Property Owners	4,962	–
Other	1,743	1,370
	<u>58,465</u>	<u>32,160</u>
EXPENSE		
Job development program	–	2,780
Advertising	3,672	958
Promotion	6,094	2,773
Insurance	1,281	1,347
Audit fees	337	310
Miscellaneous	–	470
Office	2,869	3,254
Payroll	26,125	20,414
Office rent	2,023	4,500
Bad debts	(2,280)	13,570
Utilities	1,675	1,984
	<u>41,796</u>	<u>52,360</u>
EXCESS OF REVENUE (EXPENSE) FOR THE YEAR	16,669	(20,200)
MEMBERS' EQUITY (DEFICIT) – Beginning of year	(15,668)	4,532
MEMBERS' EQUITY (DEFICIT) – End of year	<u>1,001</u>	<u>(15,668)</u>

See accompanying notes to the financial statements

International Village Business Improvement Area

NOTES TO THE FINANCIAL STATEMENTS December 31, 1996

1. SIGNIFICANT ACCOUNTING POLICIES

(a) Basis of Accounting

Revenue and expense are recorded on the accrual basis. The accrual basis of accounting recognizes revenues as they become available and measurable; expenses are recognized as they are incurred and measurable as a result of receipt of goods or services and the creation of a legal obligation to pay.

(b) Capital Assets

The historical cost and accumulated amortization of capital assets are not recorded. Capital assets are reported as expenses in the year of acquisition.

2. BASIS OF PRESENTATION

These financial statements do not include the assets, liabilities, revenues and expenses of the Coalition of Property Owners' program undertaken by the organization, except to the extent that transactions are settled by each.

MAIN STREET WEST ESPLANADE BUSINESS IMPROVEMENT AREA

AUDITOR'S REPORT

To the Board of Management of the
Main Street West Esplanade Business
Improvement Area, formerly a Board
established with the approval of
The Corporation of the City of Markham

FINANCIAL STATEMENTS

December 31, 1996

We have audited the financial statements of the Main Street West Esplanade Business Improvement Area as at December 31, 1996 and the results of its operations for the year then ended, in accordance with generally accepted accounting principles.

We found that the financial statements are properly prepared in accordance with generally accepted accounting principles and that the results of its operations are properly stated. We also found that the financial statements are properly prepared in accordance with generally accepted accounting principles and that the results of its operations are properly stated.

In our opinion, these financial statements present fairly, in all material respects, the financial position of the improvement area as at December 31, 1996 and the results of its operations for the year then ended, in accordance with generally accepted accounting principles.

Markham, Ontario
April 16, 1997

For the Board of Management

Chairman of the Board

MacGillivray Partners

Chartered Accountants

Standard Life Centre, Suite 650
120 King Street West
Hamilton, Ontario L8P 4V2
Telephone: (905) 523-7732
Facsimile: (905) 572-9333

AUDITORS' REPORT

To the Board of Management of the
Main Street West Esplanade Business
Improvement Area, Members of Council,
Inhabitants and Ratepayers of
The Corporation of the City of Hamilton

We have audited the balance sheet of the **Main Street West Esplanade Business Improvement Area** as at December 31, 1996 and the statement of revenue and expense and members' equity for the year then ended. These financial statements are the responsibility of the organization's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with generally accepted auditing standards. Those standards require that we plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these financial statements present fairly, in all material respects, the financial position of the organization as at December 31, 1996 and the results of its operations for the year then ended in accordance with generally accepted accounting principles.

Hamilton, Canada
April 18, 1997

MacGillivray Partners

CHARTERED ACCOUNTANTS

Main Street West Esplanade Business Improvement Area

BALANCE SHEET December 31, 1996

	1996 \$	1995 \$
ASSETS		
Current		
Cash	6,092	3,165
Levies receivable	16	141
Accounts receivable	897	978
Prepaid expenses	222	148
	<u>7,227</u>	<u>4,432</u>
LIABILITIES AND MEMBERS' EQUITY		
Current		
Accrued liability	311	305
Accounts payable – City of Hamilton	153	293
Accounts payable – other	1,794	—
	<u>2,258</u>	<u>598</u>
MEMBERS' EQUITY	<u>4,969</u>	<u>3,834</u>
	<u>7,227</u>	<u>4,432</u>

See accompanying note to the financial statements

Main Street West Esplanade Business Improvement Area

**STATEMENT OF REVENUE AND EXPENSE
AND MEMBERS' EQUITY
for the year ended December 31, 1996**

	1996 \$	1995 \$
REVENUE		
Assessment levy	2,960	4,140
Grant	897	978
Interest	35	21
	<u>3,892</u>	<u>5,139</u>
EXPENSE		
Membership fees	—	107
Meetings	310	53
Christmas decorations	1,794	1,794
Hydro	—	895
Audit fees	316	305
Insurance	169	162
Miscellaneous	—	240
Bad debts	149	25
Bank charges	19	21
	<u>2,757</u>	<u>3,602</u>
EXCESS OF REVENUE FOR THE YEAR	1,135	1,537
MEMBERS' EQUITY – Beginning of year	3,834	2,297
MEMBERS' EQUITY – End of year	<u>4,969</u>	<u>3,834</u>

See accompanying note to the financial statements

Main Street West Esplanade Business Improvement Area

NOTE TO THE FINANCIAL STATEMENTS December 31, 1996

1. SIGNIFICANT ACCOUNTING POLICIES

(a) Basis of Accounting

Revenue and expense are recorded on the accrual basis. The accrual basis of accounting recognizes revenues as they become available and measurable; expenses are recognized as they are incurred and measurable as a result of receipt of goods or services and the creation of a legal obligation to pay.

(b) Capital Assets

The historical cost and accumulated amortization of capital assets are not recorded. Capital assets are reported as expenses in the year of acquisition.

MacGillivray
Partners

Chartered Accountants

WESTDALE REPORT

WESTDALE BUSINESS IMPROVEMENT AREA

To the Board of Management of the
Westdale Business Improvement Area,
Municipality of Toronto, Ontario,
and Residents of The Corporation of
the City of Toronto

We have audited the financial statements of the Westdale Business Improvement Area for the year ended December 31, 1996, and the statement of revenue and expenses and statement of assets and liabilities. These financial statements are the responsibility of the Corporation's management. We conducted our audit in accordance with generally accepted auditing standards and we believe that the results of our audit are reliable and that the financial statements are fairly presented.

These statements are prepared in accordance with generally accepted accounting principles and are the responsibility of the Corporation's management. We conducted our audit in accordance with generally accepted auditing standards and we believe that the results of our audit are reliable and that the financial statements are fairly presented.

FINANCIAL STATEMENTS

December 31, 1996

In preparing these financial statements, management has used accounting principles and practices that are consistent with those used by the Corporation of the City of Toronto. We have audited these financial statements in accordance with generally accepted auditing standards and we believe that the results of our audit are reliable and that the financial statements are fairly presented.

Our audit was conducted in accordance with the standards of the Chartered Accountants of Ontario. We have audited the financial statements of the Westdale Business Improvement Area for the year ended December 31, 1996, and the statement of revenue and expenses and statement of assets and liabilities. These financial statements are the responsibility of the Corporation's management. We conducted our audit in accordance with generally accepted auditing standards and we believe that the results of our audit are reliable and that the financial statements are fairly presented.

MacGillivray
Partners

MacGillivray Partners
Chartered Accountants

MacGillivray Partners

Chartered Accountants

Standard Life Centre, Suite 650
120 King Street West
Hamilton, Ontario L8P 4V2
Telephone: (905) 523-7732
Facsimile: (905) 572-9333

AUDITORS' REPORT

To the Board of Management of the
Westdale Business Improvement Area,
Members of Council, Inhabitants
and Ratepayers of The Corporation of
the City of Hamilton

We have audited the balance sheet of the **Westdale Business Improvement Area** as at December 31, 1996 and the statement of revenue and expense and members' equity for the year then ended. These financial statements are the responsibility of the organization's management. Our responsibility is to express an opinion on these financial statements based on our audit.

Except as explained in the following paragraph, we conducted our audit in accordance with generally accepted auditing standards. Those standards require that we plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In common with many not-for-profit organizations, the organization derives revenue from fund-raising activities and other sources, the completeness of which is not susceptible to satisfactory audit verification. Accordingly, our verification of these revenues was limited to the amounts recorded in the records of the organization and we were not able to determine whether any adjustments might be necessary to other revenue, excess of revenue (expense) for the year, assets and members' equity (deficit).

In our opinion, except for the effects of adjustments, if any, which we might have determined to be necessary had we been able to satisfy ourselves concerning the completeness of revenue referred to in the preceding paragraph, these financial statements present fairly, in all material respects, the financial position of the organization as at December 31, 1996 and the results of its operations for the year then ended in accordance with generally accepted accounting principles.

MacGillivray Partners

CHARTERED ACCOUNTANTS

Hamilton, Canada
May 27, 1997

Westdale Business Improvement Area

BALANCE SHEET December 31, 1996

	1996 \$	1995 \$
ASSETS		
Current		
Cash	7,315	2,725
Levies receivable	6,043	4,022
Other receivables	683	2,353
Prepaid expenses	487	308
	<u>14,528</u>	<u>9,408</u>
LIABILITIES AND MEMBERS' EQUITY		
Current		
Accounts payable and accrued liabilities	5,785	5,354
Accounts payable – City of Hamilton	6,205	4,934
	<u>11,990</u>	<u>10,288</u>
MEMBERS' EQUITY (DEFICIT)	<u>2,538</u>	<u>(880)</u>
	<u>14,528</u>	<u>9,408</u>

See accompanying note to the financial statements

Westdale Business Improvement Area

STATEMENT OF REVENUE AND EXPENSES AND MEMBERS' EQUITY for the year ended December 31, 1996

	1996 \$	1995 \$
REVENUE		
Assessment levy	33,994	21,434
Government grants	2,601	4,056
Interest	4,485	1,141
	<u>41,080</u>	<u>26,631</u>
EXPENSE		
Christmas decorations	710	2,300
Hydro	162	117
Rent	1,200	1,800
Beautification	2,852	2,613
Festival (net of revenue)	6,651	14,582
Printing and photocopying	939	588
Advertising and promotion	9,947	2,057
Audit fees	315	305
Insurance	1,316	1,308
Bank charges	45	30
Bad debts	1,200	535
Miscellaneous	874	591
Meetings	1,365	944
S.E.E.D. Program project	1,915	3,190
Sidewalk sale	1,081	1,178
Wages	7,090	2,569
	<u>37,662</u>	<u>34,707</u>
EXCESS OF REVENUE (EXPENSE) FOR THE YEAR	3,418	(8,076)
MEMBERS' EQUITY (DEFICIT) – Beginning of year	(880)	7,196
MEMBERS' EQUITY (DEFICIT) – End of year	<u>2,538</u>	<u>(880)</u>

See accompanying note to the financial statements

Westdale Business Improvement Area

NOTE TO THE FINANCIAL STATEMENTS December 31, 1996

1. SIGNIFICANT ACCOUNTING POLICIES

(a) Basis of Accounting

Revenue and expense are recorded on the accrual basis. The accrual basis of accounting recognizes revenues as they become available and measurable; expenses are recognized as they are incurred and measurable as a result of receipt of goods or services and the creation of a legal obligation to pay.

(b) Capital Assets

The historical cost and accumulated amortization of capital assets are not recorded. Capital assets are reported as expenses in the year of acquisition.



City of
HAMILTON

FINANCIAL INFORMATION RETURN

December 31, 1996





City of
HAMILTON

FINANCIAL INFORMATION RETURN

December 31, 1996



1996 FINANCIAL INFORMATION RETURN

MUNICIPALITY: of The City of Hamilton
in the Region, County or District of: Hamilton-Wentworth

DECLARATION OF THE MUNICIPAL TREASURER

Pursuant to the determination of grants under the Ontario Unconditional Grants Act, and to the information required by the Province under the Municipal Affairs Act, the following schedules are attached:

	Attached
1 Analysis of Revenue Fund Revenues	x
2LT Analysis of Taxation	x
2UT Analysis of Upper Tier Requisitions and Direct Charges	—
2MA Analysis of Taxation in Merged Areas	—
3 Analysis of Current Revenue for Specific Functions	x
4 Analysis of Revenue Fund Expenditures	x
5 Analysis of Capital Operations	x
6 Analysis of Capital Grants and Own Expenditures	x
7 Analysis of Net Long Term Liabilities by Function	x
8 Analysis of Long Term Liabilities and Commitments	x
9LT Continuity of Upper Tier and School Board Levies	x
10 Continuity of Reserves and Reserve Funds	x
11 Analysis of Consolidated Year End Balances	x
12 Statistical Data	x

The schedules have been drawn up in accordance with the instructions provided by the Ministry of Municipal Affairs and Housing. They represent the consolidated financial activities of the municipality, all local boards, including joint boards where applicable and any other local corporate entities set up by the municipality to provide services to ratepayers. The consolidated local boards and entities are:

Hamilton Entertainment and Convention
Facilities Inc.
Hamilton Public Library Board
Parking Authority of the City of Hamilton
Barton General Business Improvement Area
Concession Street Business
Improvement Area
Downtown Promenade Business
Improvement Area
International Village Business
Improvement Area
Main Street West Esplanade Business
Improvement Area
Ottawa Street Business Improvement Area
Westdale Business Improvement Area

Trust funds administered by the municipality and its local boards, harbour commissions, human societies, municipal non-profit housing corporations, provincial-municipal housing authorities, sinking funds, retirement or pension plan funds, school boards, conservation authorities, children's aid societies, district health councils, municipal hospitals and gas, telephone and hydro utilities are not consolidated.

The schedules have been prepared by The City of Hamilton
(Auditor's firm or name of Municipality)

Questions regarding information contained in them should be addressed to
M. B. ChandraShekar, Supervisor of Accounting at (905) 546-4531
(Area code and telephone)

Date April 7 1997

Allan C. Rose
Municipal Treasurer



City of HAMILTON

MEMBERS OF CITY COUNCIL (for a term to expire 1997 November)

MAYOR R. M. MORROW

WARD ONE

**ALDERMAN M. KISS
ALDERMAN M. CAPLAN**

WARD TWO

**ALDERMAN V. AGRO
ALDERMAN W. MCCULLOCH**

WARD THREE

**ALDERMAN B. MORELLI
ALDERMAN D. DRURY**

WARD FOUR

**ALDERMAN G. COPPS
ALDERMAN D. WILSON**

WARD FIVE

**ALDERMAN F. EISENBERGER
ALDERMAN C. COLLINS**

WARD SIX

**ALDERMAN T. JACKSON
ALDERMAN B. CHARTERS**

WARD SEVEN

**ALDERMAN H. MERLING
ALDERMAN T. ANDERSON**

WARD EIGHT

**ALDERMAN D. ROSS
ALDERMAN F. D'AMICO**

MacGillivray Partners

Chartered Accountants

Standard Life Centre, Suite 650
120 King Street West
Hamilton, Ontario L8P 4V2
Telephone: (905) 523-7732
Facsimile: (905) 572-9333

To the Ministry of Municipal Affairs

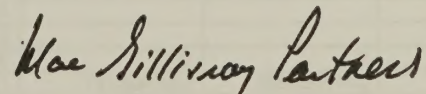
Our audit of the consolidated financial statements of **The Corporation of the City of Hamilton** for the year ended December 31, 1996 was made for the purpose of forming an opinion on the consolidated financial statements referred to in our auditors' report to the Members of Council, Inhabitants and Ratepayers, dated April 25, 1997. Schedules 1 to 12 of the 1996 Financial Information Return have not been prepared on the same basis as the consolidated financial statements.

For the purposes of this report we have performed, at your request, the following procedures in connection with Schedules 1 to 12 of the Financial Information Return of The Corporation of the City of Hamilton for the year ended December 31, 1996:

- (a) We have compared amounts disclosed on these schedules to the books and records of the City and found them to be in agreement;
- (b) We have added and cross-added all schedules and found them to be arithmetically correct; and
- (c) We have checked the cross-references indicated in the "Cross-References to Other Schedules" section for each of the above noted schedules, as outlined in the "Instructions for Completing the 1996 Financial Information Return", and found all such cross-references to be in agreement.

The above noted procedures do not constitute an audit of these schedules. Therefore, we do not express an opinion on Schedules 1 to 12 of the 1996 Financial Information Return.

Hamilton, Canada
April 25, 1997



CHARTERED ACCOUNTANTS

SCHEDULE 1
ANALYSIS OF REVENUE FUND
REVENUES
For the year ending Dec 31, 1996

		total revenue	upper tier purposes	The City of Hamilton school board purposes	own purposes
		1	2	3	4
		\$	\$	\$	\$
Taxation					
Taxation from schedule 2LT (or requisitions from schedule 2UT)	1	464,824,989	123,790,125	224,495,319	116,539,545
Direct water billings on ratepayers					
-- own municipality	2	0			
-- other municipalities	3	0			
Sewer surcharge on direct water billings					
-- own municipality	4	0			
-- other municipalities	5	0			
Subtotal	6	464,824,989	123,790,125	224,495,319	116,539,545
Payments in lieu of taxes					
Canada	7	825,713	424,651		401,062
Canada enterprises	8	577,944	153,144	280,163	144,637
Ontario					
The Municipal Tax Assistance Act	9	790,088	790,088		
The Municipal Act, section 160	10	891,922	137,715		754,207
Other	11	131,460			131,460
Ontario enterprises					
Ontario Housing Corporation	12	7,271,737	1,934,195	3,510,789	1,826,753
Ontario Hydro	13	2,585,229	1,316,659	13,518	1,255,052
Liquor Control Board of Ontario	14	145,107	74,626		70,481
Other	15	688,435	351,744		336,691
Municipal enterprises	16	5,017,645	2,535,745		2,481,900
Other municipalities and enterprises	17	0			
Subtotal	18	18,925,280	7,718,567	3,804,470	7,402,243
Ontario non-specific grants					
Ontario Municipal Support Grant	60	8,940,892			8,940,892
Other (specify)	61	0			
Subtotal	69	8,940,892	0	0	8,940,892
Revenues for specific functions					
Ontario specific grants	29	1,524,435			1,524,435
Canada specific grants	30	247,506			247,506
Other municipalities--grants and fees	31	834,580			834,580
Fees, service charges and donations	32	30,855,611			30,855,611
Subtotal	33	33,462,132	0	0	33,462,132
Other revenue					
Trailer revenue and licences	34	0			
Licences and permits	35	3,846,769			3,846,769
Fines	37	3,301,691			3,301,691
Penalties and interest on taxes	38	7,834,227			7,834,227
Investment income--from own funds	39	683,726			683,726
--other	40	0			
Sale of publications, equipment, etc.	42	186,745			186,745
Contributions from capital fund	43	0			
Contributions from reserves and reserve funds	44	295,211			295,211
Contributions from non consolidated entities	45	406,387			406,387
Vehicle insurance program	46	528,417			528,417
Miscellaneous	47	459,234			459,234
	48	0			
Subtotal	50	17,542,407	0	0	17,542,407
Total revenue	51	543,695,700	131,508,692	228,299,789	183,887,219

The City of Hamilton
LOCAL TAXABLE ASSESSMENT

The City of Hamilton
SUPPLEMENTARY TAXES

TOTAL TAXES

SCHEDULE 2-LT ANALYSIS OF TAXATION For the year ending Dec. 31, 1996														
The City of Hamilton LOCAL TAXABLE ASSESSMENT					The City of Hamilton MILL RATES		TAXES LEVIED			The City of Hamilton SUPPLEMENTARY TAXES			TOTAL TAXES	
	computer use	residential and farm	commercial & industrial	business	residential & farm	commercial industrial & business	residential and farm	commercial & industrial	business	residential and farm	commercial & industrial	business	total cols 6 to 11	
		1	2	3	4	5	6	7	8	9	10	11	12	
		\$	\$	\$			\$	\$	\$	\$	\$	\$	\$	
I. Own purposes														
(a) Levied by mill rate														
General	01010	603,862,476	279,584,696	123,426,469	105.1413	123.6967	63,490,886	34,583,425	15,267,323	314,413		586,131	114,242,178	01010
Police villages at reduced rates	0102												0	0102
Farms at reduced rates	0103												0	0103
	01												0	01
Special area rates and police villages														
	01												0	01
	01												0	01
	01												0	01
	01												0	01
	01												0	01
	01												0	01
	01												0	01
(b) Subtotal levied by mill rate														
(b) Other charges on tax bills														
Share of phone and 'graph taxn		XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX	01400	63,490,886	34,583,425	15,267,323	314,413	0	586,131	114,242,178	0
Local improvements		XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX	01210		1,709,460					1,709,460	
Sewer and water service charges		XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX	01220	322,732						322,732	
Sewer & water connect'n charges		XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX	01230							0	
Fire service charges		XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX	01250							0	
Minimum tax (differential only)		XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX	01260							0	
Municipal drainage charges		XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX	01270							0	
Garbage collection charges		XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX	01280							0	
Business improvement area		XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX	01290	XXXXXXXXXXXX	XXXXXXXXXXXX	251,880			13,295	265,175	
		XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX	01300							0	
Subtotal special chg on tax bills		XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX	01310	322,732	1,709,460	251,880	0	0	13,295	2,297,367	
Total own purposes taxation		XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX	01320	63,813,618	36,292,885	15,519,203	314,413	0	599,426	116,539,545	
II. Upper tier purposes														
(a) Levied by mill rate	02010	603,862,476	279,594,696	123,426,469	111.3252	130.9709	67,225,111	36,617,459	16,165,276	332,796		620,603	120,961,245	02010
General														
Special purposes														
	02												0	02
	02												0	02
	02												0	02
(b) Subtotal levied by mill rate														
(b) Other charges on tax bills														
Share of phone and 'graph taxn		XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX	02210		1,790,780					1,790,780	
Local improvements		XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX	02220	622,237	415,863					1,038,100	
Sewer and water service charges		XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX	02230							0	
Sewer & water connect'n charges		XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX	02240							0	
Fire service charges		XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX	02250							0	
		XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX	02300							0	
Subtotal special chg on tax bills		XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX	02310	622,237	2,206,643	0	0	0	0	2,828,880	
Total upper tier taxation		XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX	02320	67,847,348	38,824,102	16,165,276	332,796	0	620,603	123,790,125	
III. School board purposes														
Elementary public														
	0301	428,904,405	214,203,887	93,733,134	120.5303	141.8004	51,695,977	30,374,197	13,291,396	309,786		612,388	96,283,744	0301
	0301	XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX	03210		1,402,700					1,402,700	0301
Share of phone and 'graph taxn		XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX	03320	51,695,977	31,776,897	13,291,396	309,786	0	612,388	97,686,444	
Subtotal elementary public		XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX	03320	51,695,977	31,776,897	13,291,396	309,786				
Elementary separate														
	0401	174,956,071	65,380,809	29,693,335	120.5303	141.8004	21,087,749	9,271,025	4,210,527	50,293		58,547	34,678,141	0401
	0401	XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX	04210							0	0401
Share of phone and 'graph taxn		XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX	04320	21,087,749	549,150					549,150	
Subtotal elementary separate		XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX	04320	21,087,749	9,820,175	4,210,527	50,293	0	58,547	35,227,291	
Secondary public (or combined elementary & secondary public)														
	0 01	428,904,405	214,203,887	93,733,134	83.1289	97.7887	35,654,351	20,948,862	9,166,979	213,678		422,401	66,406,271	0 01
	0 01	XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX	0 210		904,090					904,090	0 01
Share of phone and 'graph taxn		XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX	0 320	35,654,351	21,852,952	9,166,979	213,678	0	422,401	67,310,361	
Subtotal secondary public		XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX	0 320	35,654,351	21,852,952	9,166,979	213,678				
Secondary separate (or combined elementary & secondary separate)														
	0 01	174,956,071	65,380,809	29,693,335	83.1289	97.7887	14,544,072	6,394,158	2,903,969	34,680		40,384	23,917,273	0 01
	0 01	XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX	0 210							0	0 01
Share of phone and 'graph taxn		XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX	0 320	14,544,072	6,748,108	2,903,969	34,680	0	40,384	353,950	
Subtotal secondary separate		XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX	0 320	122,982,149	70,198,132	29,572,871	608,447	0	1,133,720	224,495,319	
Total all school board taxation		XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX	06320								

SCHEDULE 3
ANALYSIS OF CURRENT REVENUES
FOR SPECIFIC FUNCTIONS
For the year ending Dec 31, 1996

		The City of Hamilton other municipalities grants, fees & service charges				fees, service charges & donations	
		Ontario specific grants	Canada grants				
		1	2	3	4		
		\$	\$	\$	\$		
General government	1	107,101		462,279	5,514,931		
Protection to persons and property							
Fire	2	6,278		225,322	100,159		
Police	3						
Conservation authority	4						
Protective inspection and control	5				12,292		
	6						
Subtotal	7	6,278	0	225,322	112,451		
Transportation services							
Roadways	8	169,798		87,120	2,597,946		
Winter control	9	45,374		23,281	290,002		
Transit	10				85,000		
Parking	11				5,445,979		
Street lighting	12				42,930		
Air transportation	13						
	14						
Subtotal	15	215,172	0	110,401	8,461,857		
Environmental services							
Sanitary sewer system	16						
Storm sewer system	17						
Waterworks system	18				660		
Garbage collection	19						
Garbage disposal	20						
Pollution control	21				2,269		
	22						
Subtotal	23	0	0	0	2,929		
Health services							
Public health services	24						
Public health inspection and control	25						
Hospitals	26						
Ambulance services	27						
Cemeteries	28				1,084,990		
	29						
Subtotal	30	0	0	0	1,084,990		
Social and family services							
General assistance	31						
Assistance to aged persons	32	81,055			82,205		
Assistance to children	33						
Day nurseries	34						
	35						
Subtotal	36	81,055	0	0	82,205		
Recreation and cultural services							
Parks and recreation	37		11,580		12,771,490		
Libraries	38	992,154	177,859	36,578	429,063		
Other cultural	39	122,675			500,341		
Subtotal	40	1,114,829	189,439	36,578	13,700,894		
Planning and development							
Planning and zoning	41				716,735		
Commercial and industrial	42				611,448		
Residential development	43		58,067		329,206		
Agricultural and reforestation	44				237,965		
Tile drainage/shoreline assistance	45	xxxxxxxxxxxxxx	xxxxxxxxxxxxxx	xxxxxxxxxxxxxx			
	46						
Subtotal	47	0	58,067	0	1,895,354		
Electricity	48						
Gas	49						
Telephone	50						
Total	51	1,524,435	247,506	834,580	30,855,611		

SCHEDULE 4

ANALYSIS OF REVENUE FUND
EXPENDITURES

For the year ending Dec 31, 1996

	salaries, wages and employee benefits	net long term debt charges	materials, rents and financial expenses	transfers to own funds	other transfers	Inter- functional transfers	total expenditure
	1	2	3	4	5	6	7
	\$	\$	\$	\$	\$	\$	\$
General government	14,905,741	322,980	14,716,385	7,506,891	283,187		37,735,194
Protection to persons and property							
Fire	30,041,980	609,222	1,380,418	632,190	458		32,664,268
Police	0	0	0	0	0		188,282
Conservation authority	3,895,768	98,292	1,240,289	90,000	2,320		4,939,569
Protective inspection and control				1,163	0		0
Subtotal	33,737,768	707,514	2,620,707	723,353	2,778	0	37,792,120
Transportation services							
Roadways	10,822,645	3,230,938	1,860,340	1,628,295	20,471		17,662,689
Winter control	1,702,288		2,155,629				3,857,918
Transit	904,718	1,118,328	3,318,518	31,183			5,372,743
Parking			1,823,310				1,823,310
Street lighting							0
Air transportation							0
Subtotal	13,529,662	4,349,264	9,257,795	1,659,478	20,471	0	28,816,650
Environmental services							
Sanitary sewer system							0
Storm sewer system							0
Waterworks system	3,807,807		20,750				20,750
Garbage collection			1,782,538				5,570,346
Garbage disposal	102,675		16,091				118,766
Pollution control							0
Subtotal	3,910,482	0	1,798,390	0	0	0	5,709,862
Health services							
Public health services							0
Public health inspection and control							0
Hospitals							0
Ambulance services							0
Cemeteries	1,951,192		668,300	48,860	480		2,668,832
Subtotal	1,951,192	0	668,300	48,860	480	0	2,668,832
Social and family services							
General assistance	498,699		254,601		1,140,244		1,893,444
Assistance to aged persons					267,628		267,628
Assistance to children							0
Day nurseries							0
Subtotal	498,699	0	254,601	0	1,407,873	0	2,161,073
Recreation and cultural services							
Parks and recreation	22,675,727	4,548,807	11,717,713	668,692	326,665		38,935,404
Libraries	11,890,307	1,514,672	3,027,116	1,690,435			16,122,530
Other cultural	1,796,245	17,848	963,874	1,319	38,328		2,747,615
Subtotal	36,262,279	6,081,127	15,708,703	2,358,446	364,994	0	60,805,549
Planning and development							
Planning and zoning	1,526,050	76,400	217	217	2,654		1,605,521
Commercial and industrial	336,989	2,973,826	476,740	7,500	4,103		3,795,158
Residential development	514,098	401,552	31,651		1,187		948,488
Agricultural and reforestation	1,340,505	789,061					2,139,566
Tilt drainage/shoreline assistance							0
Subtotal	3,717,642	3,375,378	1,383,852	7,717	8,144	0	8,492,733
Electricity							0
Gas							0
Telephone							0
Total	108,543,355	14,836,263	46,409,723	12,304,745	2,087,937	0	184,182,023

SCHEDULE 5
ANALYSIS OF CAPITAL OPERATIONS
For the year ending Dec 31, 1996

The City of Hamilton

		1	
			\$
Unfinanced capital outlay (Unexpended capital financing) at the beginning of the year	1	627,912	
Sources of financing			
Contributions from own funds			
Revenue fund	2	2,025,555	
Reserves and reserve funds	3	10,423,069	
Subtotal	4	12,448,624	
Long term liabilities incurred			
Central Mortgage and Housing Corporation	5		
Ontario Municipal Improvement Corporation	7		
Commercial Area Improvement Program	9		
Other Ontario housing programs	10		
Ontario Clean Water Agency	11		
Tile drainage and shoreline property assistance programs	12		
The Public			
Serial debentures	13		
Sinking fund debentures	14	19,793,452	
.	15		
.	16		
.	17		
Subtotal *	18	19,793,452	
Grants and loan forgiveness			
Ontario	20	2,056,827	
Canada	21	99,482	
Other municipalities	22	8,891	
Subtotal	23	2,165,200	
Other financing			
Prepaid special charges	24	16,591	
Proceeds from sale of land & other capital assets	25	1,691,149	
Investment income			
From own funds	26		
Other	27	60,280	
Donations	28	665,528	
.	30		
Miscellaneous revenue	31	21,139	
Subtotal	32	2,454,687	
Total sources of financing	33	36,861,963	
Applications			
Own expenditures			
Short term interest costs	34		
Other	35	24,166,803	
Subtotal	36	24,166,803	
Transfers of proceeds from long term liabilities to:			
Other municipalities	37		
Unconsolidated local boards	38		
Individuals	39		
Subtotal	40	0	
Transfers to reserves, reserve funds and the revenue fund	41	2,411,405	
Total applications	42	26,578,208	
Unfinanced capital outlay (Unexpended capital financing) at the end of the year	43	(9,655,843)	
Amount reported in line 43 analysed as follows:			
Unapplied capital receipts (negative)	44	(19,941,801)	
To be recovered from:			
-taxation or user charges within term of council	45		
-proceeds from long term liabilities	46	10,171,985	
-transfers from reserves and reserve funds	47	103,609	
-other - accounts receivable	48	10,364	
Total unfinanced capital outlay (unexpended capital financing)	49	(9,655,843)	
*amount in line 18 raised on behalf of other municipalities	19		

SCHEDULE 6
ANALYSIS OF CAPITAL GRANTS
AND OWN EXPENDITURES
For the year ending Dec 31, 1996

The City of Hamilton

		CAPITAL GRANTS			TOTAL OWN EXPENDITURES
		Ontario grants	Canada grants	Other municipalities	
		1	2	3	4
		\$	\$	\$	\$
General government	1	(191,044)			1,321,695
Protection to persons and property					
Fire	2				711,734
Police	3				
Conservation authority	4				
Protective inspection and control	5	1,330,439			1,995,656
	6				
Subtotal	7	1,330,439	0	0	2,707,390
Transportation services					
Roadways	8	186,970		8,891	10,543,058
Winter control	9				
Transit	10				
Parking	11				78,421
Street lighting	12				
Air transportation	13				
	14				
Subtotal	15	186,970	0	8,891	10,621,479
Environmental services					
Sanitary sewer system	16				18,995
Storm sewer system	17				
Waterworks system	18				
Garbage collection	19				113,664
Garbage disposal	20				
Pollution control	21				
	22				
Subtotal	23	0	0	0	132,659
Health services					
Public health services	24				
Public health inspection and control	25				
Hospitals	26				
Ambulance services	27				
Cemeteries	28				57,798
	29				
Subtotal	30	0	0	0	57,798
Social and family services					
General assistance	31				
Assistance to aged persons	32				
Assistance to children	33				
Day nurseries	34				
	35				
Subtotal	36	0	0	0	0
Recreation and cultural services					
Parks and recreation	37	730,462	2,988		7,841,304
Libraries	38		82,044		963,888
Other cultural	39		14,450		80,909
Subtotal	40	730,462	99,482	0	8,886,101
Planning and development					
Planning and zoning	41				85,958
Commercial and industrial	42				300,107
Residential development	43				53,616
Agricultural and reforestation	44				
Tile drainage/shoreline assistance	45	xxxxxxxxxxxxxx	xxxxxxxxxxxxxx	xxxxxxxxxxxxxx	xxxxxxxxxxxxxx
	46				
Subtotal	47	0	0	0	439,681
Electricity	48				
Gas	49				
Telephone	50				
Total	51	2,056,827	99,482	8,891	24,166,803

SCHEDULE 7
ANALYSIS OF NET LONG TERM
LIABILITIES BY FUNCTION
For the year ending Dec 31, 1996

The City of Hamilton

		1	\$
General government	1	3,225,084	
Protection to persons and property			
Fire	2	2,755,618	
Police	3		
Conservation authority	4	355,289	
Protective inspection and control	5		
	6		
Subtotal	7	3,110,907	
Transportation services			
Roadways	8	23,563,442	
Winter control	9		
Transit	10		
Parking	11	2,258,139	
Street lighting	12		
Air transportation	13		
	14		
Subtotal	15	25,821,581	
Environmental services			
Sanitary sewer system	16		
Storm sewer system	17		
Waterworks system	18		
Garbage collection	19		
Garbage disposal	20		
Pollution control	21		
	22		
Subtotal	23	0	
Health services			
Public health services	24		
Public health inspection and control	25		
Hospitals	26		
Ambulance services	27		
Cemeteries	28		
	29		
Subtotal	30	0	
Social and family services			
General assistance	31		
Assistance to aged persons	32		
Assistance to children	33		
Day nurseries	34		
	35		
Subtotal	36	0	
Recreation and cultural services			
Parks and recreation	37	27,675,315	
Libraries	38	4,191,416	
Other cultural	39	35,909	
Subtotal	40	31,902,640	
Planning and development			
Planning and zoning	41		
Commercial and industrial	42	2,993,134	
Residential development	43	2,199,081	
Agricultural and reforestation	44		
Tile drainage/shoreline assistance	45		
	46		
Subtotal	47	5,192,215	
Electricity	48		
Gas	49		
Telephone	50		
Total	51	69,252,427	

SCHEDULE 8
ANALYSIS OF LONG TERM
LIABILITIES AND COMMITMENTS
For the year ending Dec 31, 1996

The City of Hamilton

1
\$

1. Calculation of debt burden of the municipality		
All debt issued by the municipality, predecessor municipalities and consolidated entities		
: To Ontario and agencies	1	53,333
: To Canada and agencies	2	
: To other	3	
Subtotal	4	53,333
Plus: All debt assumed by the municipality from others	5	102,105,955
Less: All debt assumed by others		
: Ontario	6	
: Schoolboards	7	
: Other municipalities	8	
Subtotal	9	0
Less: Ontario Clean Water Agency debt retirement funds—sewer	10	
—water	11	
Own sinking funds (actual balances)		
—general	12	32,906,861
—enterprises and other	13	
Subtotal	14	32,906,861
Total	15	69,252,427
Amount reported in line 15 analysed as follows:		
Sinking fund debentures	16	66,657,591
Installment (serial) debentures	17	2,594,836
Long term bank loans	18	
Lease purchase agreements	19	
Mortgages	20	
Ontario Clean Water Agency	22	
.	23	
.	24	
2. Total debt payable in foreign currencies (net of sinking fund holdings)		
U.S. \$—Cdn \$ equivalent incl in line 15 above	25	
—par value of this amount in U.S.\$	26	
Other—Cdn \$ equivalent incl in line 15	27	
—par value of this amount in _____	28	
3. Interest earned on sinking funds and debt retirement funds during the year		
Own funds	29	2,962,033
Ontario Clean Water Agency—sewer	30	
—water	31	
4. Actuarial balance of own sinking funds at year end	32	32,906,861
5. Long term commitments and contingencies at year end		
Total liability for accumulated sick pay credits	33	9,826,151
Total liability under OMERS plans		
—initial unfunded	34	
(payable over ___ yrs)(no. of employees ___)		
—actuarial deficiency	35	
(payable over ___ yrs)		
Total liability for own pension funds		
—initial unfunded	36	
(payable over ___ yrs)(no. of employees ___)		
—actuarial deficiency	37	
(payable over ___ yrs)		
Outstanding loan guarantees	38	
(payable over ___ yrs)		
Commitments and liabilities financed from revenue, as approved by the Ontario Municipal Board or Council, as the case may be		
—hospital support	39	
—university support	40	
—leases and other agreements	41	
Other (specify) .	42	
.	43	
.	44	
Total	45	9,826,151

SCHEDULE 8
ANALYSIS OF LONG TERM
LIABILITIES AND COMMITMENTS
For the year ending Dec 31, 1996

The City of Hamilton

6. Ontario Clean Water Agency Provincial Projects		accumulated surplus (deficit)	total outstanding capital obligations	debt charges
		1	2	3
		\$	\$	\$
Water projects—for this municipality only	46			
—share of integrated project(s)	47			
Sewer projects—for this municipality only	48			
—share of integrated project(s)	49			

7. 1996 Debt Charges		principal	interest
		1	2
		\$	\$
Recovered from consolidated revenue fund	50	5,836,711	7,598,259
—general tax rates	51		
—special area rates and special charges	52	191,214	173,768
—benefitting landowners	53	316,311	720,000
—user rates (consolidated entities)	54		
Recovered from reserve funds			
Recovered from unconsolidated entities	55		
—hydro	57		
—gas and telephone	56		
—	58		
—	59		
—	78	6,344,236	8,492,027
Total			
Line 78 includes:	90		
Financing of one-time real estate purchase	91		
Other lump sum (balloon) repayments of L.T. debt			

8. Future principal and interest payments on EXISTING net debt		recoverable from the consolidated revenue fund		recoverable from reserve funds		recoverable from unconsolidated entities	
		principal	interest	principal	interest	principal	interest
		1	2	3	4	5	6
		\$	\$	\$	\$	\$	\$
1997	60	(1,785,887)	8,863,113				
1998	61	7,944,704	7,680,354				
1999	62	6,209,763	6,389,112				
2000	63	5,221,042	5,550,314				
2001	64	5,205,808	4,848,461				
2002-2006	65	7,508,182	9,930,838				
2007 onwards	79	38,948,815	12,117				
Interest to be earned on sinking funds*	69		31,443,124				
Downtown revitalization program	70						
Total	71	69,252,427	74,717,433	0	0	0	0

*includes interest to be earned on Ontario Clean Water Agency debt retirement funds

9. Future principal payments on EXPECTED NEW debt		1
		\$
1997	72	
1998	73	
1999	74	
2000	75	
2001	76	
Total	77	0

10. Other notes; please submit other notes in paper copy, and attach supporting schedule as required.

11. Long term debt refinanced:		principal	interest
		1	2
		\$	\$
Repayment of Provincial Special Assistance	92		
Other long term debt refinanced	93		

SCHEDULE 9.1
CONTINUITY OF UPPER TIER AND
SCHOOL BOARD LEVIES
For the year ending Dec 31, 1996

The City of Hamilton

The City of Hamilton

	1	2	3	4	5	6	7	8	9	10	11
UPPER TIER	balance at beginning of year	amounts requisitioned	supplementary taxes	total expended	amount levied	telephone and telegraph taxation	share of Provincial grants	share of payments in lieu of taxes	other	total raised	balance at end of year
Included in general mill rate for upper tier purposes											
General requisition											
Special purpose requisitions											
Water rate		94,475,380	953,399	95,428,779							
Transit rate		18,406,600		18,406,600							
Sewer rate		8,370,570		8,370,570							
Library rate		8,287,548		8,287,548							
Road rate											
Solid waste											
Payments in lieu of taxes											
Telephone and telegraph taxation											
Subtotal levied by mill rate-general	(73,649)	129,540,098	953,399	130,493,497	120,961,245	1,790,780	0	7,718,567	0	130,470,592	(96,554)
Special purpose requisitions											
Water											
Transit											
Sewer											
Library											
Subtotal levied by mill rate-special rates	0	0	0	0	0	0	0	0	0	0	0
Special charges											
Direct water billings		1,038,100		1,038,100	1,038,100					1,038,100	0
Sewer surcharge on direct water billings											0
Total region or county	(73,649)	130,578,198	953,399	131,531,597	121,999,345	1,790,780	0	7,718,567	0	131,508,692	(96,554)

	1	2	3	4	5	6	7	8	9	10	11
SCHOOL BOARDS	balance at beginning of year	amounts requisitioned	supplementary taxes	pupils' fees, share of trailer licences	total expended	amount levied	telephone and telegraph taxation	share of payments in lieu of taxes	pupils' fees, share of trailer licences	total raised	balance at end of year
Elementary public (specify)											
	(121,177)	98,379,304	922,174		99,301,478	96,283,744	1,402,700	1,652,630		99,339,074	(83,581)
Elementary separate (specify)											
	40,903	35,769,241	118,840		35,888,081	34,678,141	549,150	598,930		35,826,221	(20,957)
Secondary public (specify)											
	(78,103)	67,793,649	636,079		68,429,728	66,406,271	904,090	1,139,825		68,450,186	(57,645)
Elementary separate (specify)											
	26,363	24,650,049	75,074		24,725,123	23,917,273	353,950	413,085		24,684,308	(14,452)
Total school boards	(132,014)	226,592,243	1,752,167	0	228,344,410	221,285,429	3,209,890	3,804,470	0	228,299,789	(176,635)

SCHEDULE 10
CONTINUITY OF RESERVES
AND RESERVE FUNDS

The City of Hamilton

For the year ending Dec 31, 1996

1
\$

Balance at beginning of year	1	102,483,197
Revenues		
Contributions from revenue fund	2	10,279,190
Contributions from capital fund	3	2,411,405
Development Charges Act	67	734,435
Lot levies and subdivider contributions	60	
Recreational land (the Planning Act)	61	272,796
Investment income—from own funds	5	5,657,046
—other	6	
Province of Ontario - other	9	4,900
.	10	
.	11	
Other	12	10,357,426
Total revenue	13	29,717,198
Expenditures		
Transferred to capital fund	14	10,423,069
Transferred to revenue fund	15	295,211
Charges for long term liabilities		
—principal and interest	16	
.	63	
.	20	
Other	21	14,579,220
Total expenditure	22	25,297,500
Balance at end of year for:		
Reserves	23	81,658,621
Reserve funds	24	25,244,274
Total	25	106,902,895
analysed as follows:		
Working funds	26	25,217,884
Contingencies	27	1,447,465
Ontario Clean Water Agency funds for renewals, etc		
—sewer	28	
—water	29	
Replacement of equipment	30	21,547,975
Sick leave	31	5,754,166
Insurance	32	2,741,782
Workers' compensation	33	10,195,243
Capital expenditure—general administration	34	8,864,380
—roads	35	
—sanitary and storm sewers	36	
—parks and recreation	64	
—library	65	
—other cultural	66	1,535,888
—water	38	
—transit	39	
—housing	40	2,817,188
—industrial development	41	820,307
—other and unspecified	42	7,875,784
Development Charges Act	68	5,189,508
Lot levies and subdivider contributions	44	
Recreational land (the Planning Act)	46	2,034,877
Parking revenues	45	(1,913,807)
Debenture debt	47	10,288,178
Exchange rate stabilization	48	
Waterworks current purposes	49	
Transit current purposes	50	
Library current purposes	51	1,478,759
Repairs	52	1,007,318
.	53	
.	54	
.	55	
.	56	
.	57	
Total	58	106,902,895

SCHEDULE 11
ANALYSIS OF CONSOLIDATED
YEAR END BALANCES
For the year ending Dec 31, 1996

The City of Hamilton

		1	2
		\$	\$
ASSETS			
Current assets			not in chartered banks
Cash	1	61,377,174	
Accounts receivable			
Canada	2	600,569	
Ontario	3	212,871	
Region or county	4	5,689,714	
Other municipalities	5	77,901	
School boards	6	4,112,573	portion of
Waterworks	7		taxes rec'ble
Other (including unorganized areas)	8	7,717,810	for business
Taxes receivable			taxes
Current year's levies	9	26,216,105	3,130,630
Previous year's levies	10	32,328,809	3,414,103
Prior years' levies	11		
Penalties and interest	12		
Less allowance for uncollectables (negative)	13	(3,847,000)	
Investments (market value \$)			
Canada	14		
Provincial	15		
Municipal	16	8,042,698	portion of
Other	17	2,680,913	line 20 for
Other current assets	18	4,377,891	tax sale/tax
Capital outlay to be recovered in future years	19	69,252,427	registration
Other long term assets	20	1,712,778	
Total	21	220,553,233	
LIABILITIES			not from chartered banks
Current liabilities			
Temporary loans—current purposes	22		
—capital—Ontario	23		
—Canada	24		
—Other	25		
Accounts payable and accrued liabilities			
Canada	26	700	
Ontario	27	1,669,511	
Region or county	28	858,426	
Other municipalities	29		
School boards	30	194,670	
Trade accounts payable	31	19,892,300	
Other	32	10,986,638	
Other current liabilities	33	535,784	
Net long term liabilities			
Recoverable from the Consolidated Revenue Fund			
—general tax rates	34	64,669,021	
—special area rates and special charges	35	1,359,503	
—benefitting landowners	36	3,223,903	
—user rates (consolidated entities)	37		
Recoverable from Reserve Funds	38		
Recoverable from unconsolidated entities	39		
Less: Own holdings (negative)	40		
Reserves and reserve funds	41	106,902,895	
Accumulated net revenue (deficit)			
General revenue	42		
Special charges and special areas (specify)			
Local improvement pre-levy	43	672,215	
.	44		
.	45		
.	46		
Consolidated local boards (specify)			
Transit operations	47		
Water operations	48		
Libraries	49		
Cemeteries	50		
Recreation, community centres and arenas	51		
Business improvement areas	52	205,013	
.	53		
.	54		
.	55		
Region or county	56	(96,554)	
School boards	57	(176,635)	
Unexpended capital financing/ (unfinanced capital outlay)	58	9,655,843	
Total	59	220,553,233	

SCHEDULE 12
STATISTICAL DATA

The City of Hamilton

For the year ending Dec 31, 1996

1. Number of continuous full time employees as at Dec 31			1
Administration	1		214
Non-line Departmental Support Staff	2		601
Fire	3		432
Police	4		
Transit	5		
Public Works	6		448
Health Services	7		
Homes for the Aged	8		
Other Social Services	9		
Parks and Recreation	10		172
Libraries	11		213
Planning	12		26
Total	13		2,106
		continuous full time employees December 31	Other
		1	2
		\$	\$
2. Total expenditures during the year on:			
Wages and salaries	14	87,985,790	6,985,328
Employee benefits	15	16,911,619	330,009
3. Reductions of tax roll during the year (lower tier municipalities only)			1
Cash collections: Current year's tax	16		\$
Previous years' tax	17		430,694,540
Penalties and interest	18		27,444,535
Subtotal	19		12,410,854
Discounts allowed	20		470,549,929
Tax adjustments under section 362 and 263 of the			406,968
—amounts added to the roll (negative)	22		
—amounts written off	23		
Tax adjustments under sections 465,495 and 496 of the Municipal Act			
—recoverable from upper tier and school boards	24		6,295,000
—recoverable from general municipal revenues	25		
Transfers to tax sale and tax registration accounts	26		
The Municipal Elderly Residents' Assistance Act			
—reductions	27		1,003,800
—refunds	28		30,900
Other (specify)	80		
Total reductions	29		478,286,597
Amounts added to the tax roll for collection purposes only	30		
Business taxes written off under subsection 495(1) of the Municipal Act	81		348,532
4. Tax due dates for 1996			1
Interim billings: Number of installments	31		2
Due date of first installment (MMDDYY)	32		02/29/96
Due date of last installment (MMDDYY)	33		03/29/96
Final billings: Number of installments	34		2
Due date of first installment (MMDDYY)	35		06/28/96
Due date of last installment (MMDDYY)	36		09/30/96
Supplementary taxes levied with a 1997 due date	37		\$
		long term financing requirements	
5. Projected capital expenditures and long term financing requirements as at December 31		gross expenditure	approved by the OMB or council
Estimated to take place		1	2
In 1997	58	\$	\$
In 1998	59		
In 1999	60		
In 2000	61		
In 2001	62		
Total	63	164,875,000	0
		submitted but not yet app'vd by OMB/council	forecast not yet submitted to OMB/council
		3	4
		\$	\$
		balance in fund	loans outstanding
		1	2
		\$	\$
6. Ontario Home Renewal Plan trust fund at year end	82	89,592	89,592

SCHEDULE 12
STATISTICAL DATA
For the year ending Dec 31, 1996

The City of Hamilton

7. Analysis of direct water and sewer billings as at December 31

	number of residential units	1996 billings residential units	all other properties	computer use only
	1	2	3	
		\$	\$	
Water				
In this municipality	39			
In other municipalities (specify municipality)	40			
.	41			
.	42			
.	43			
.	64			
Sewer				
In this municipality	44			
In other municipalities (specify municipality)	45			
.	46			
.	47			
.	48			
.	65			

Number of residential units in this municipality receiving municipal water and sewer services but which are not on direct billing

water	sewer
1	2
66	

8. Selected investments of own sinking funds as at December 31

	own municipality	other municipalities, school boards	Province	Federal
	1	2	3	4
	\$	\$	\$	\$
Own sinking funds	83			

9. Borrowing from own reserve funds
Loans or advances due to reserve funds as at December 31

1
\$
84
1,395,611

10. Joint boards consolidated by this municipality

	total board expenditure	contributions from this municipality	this municipal- ity's share of total municipal contributions	computer use only
	1	2	3	
	\$	\$	%	
.	53			
.	54			
.	55			
.	56			
.	57			

11. Applications to the Ontario Municipal Board or Council

	tile drainage shoreline assist- ance, downtown revitalization, electricity gas, telephone	other submitted to OMB	other submitted to council	total
	1	2	4	3
	\$	\$	\$	\$
Approved but not financed as at Dec. 31, 1995	67	9,268,790	31,326,173	40,594,963
Approved in 1996	68		6,108,408	6,108,408
Financed in 1996	69	623,493	19,169,959	19,793,452
No long term financing necessary	70	5,547,475	1,042,273	6,589,748
Balance approved but not financed as at Dec. 31, 1996	71	0	3,097,822	17,222,349
Applications submitted but not approved as at Dec. 31, 1996	72			0

12. Forecast of total revenue fund expenditures

	1997	1998	1999	2000	2001
	1	2	3	4	5
	\$	\$	\$	\$	\$
73	185,600,000	187,000,000	188,800,000	190,700,000	194,000,000

13. Municipal Procurement this year

	number of contracts	value
	1	2
		\$
Total construction contracts awarded	85	3,216,530
Construction contracts awarded at \$100,000 or greater	86	2,073,868

HAMILTON PUBLIC LIBRARY



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